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CONTENTS

Eastern Europe

Vol II No 142 *22 July 1980*

ALBANIA

Polish Workers' 'Justified Revolt' Shakes Leadership B 1
Hoxha Visits Korce City, Meets With District Party Leaders B 1

BULGARIA

Zhivkov Greets Iraq's Saddam Husayn on National Holiday C 1
[RABOTNICHESKO DELO 17 Jul]
Portugal's Cunhal Arrives 21 July on Vacation C 1
Briefs: Todorov at Agricultural Conference; Portuguese Delegation Departs C 1

CZECHOSLOVAKIA

NEW STATESMAN Report on CIA Operations in UK Noted D 1
Bratislava PRAVDA Cites PZPR Paper on Work Stoppages D 1
WFTU Calls on Members To Express Solidarity With Cuba [Havana] D 2
Chnoupek Sends Letter to Waldheim Endorsing Disarmament D 2
[RUDE PRAVO 16 Jul]
Rostislav Petera Dies; Husak Extends Condolences D 2
Bratislava PRAVDA Views Corruption in Daily Economic Life D 2
Official Reports on Economic Results of First Half of 1980 D 5
VECERNI PRAHA: Economic Experiment Proved 'Worthwhile' [18 Jul] D 7
Briefs: Fruit, Vegetable Harvest; Field Damage in Slovakia; Ghanaian Ambassador Ends Tour; Ambassador to Tunisia D 8

GERMAN DEMOCRATIC REPUBLIC

Honecker, Stoph Congratulate Nicaragua on Revolution Anniversary E 1
Hoffmann Receives, Decorates Mexican Navy Secretary E 1
Neumann Presents Patriotic Order to Transport Minister E 1
Gerstner Stresses Need for Railway Electrification E 2
Krolikowski Attends Plan Discussion at Steel Works E 2
Court Sentences FRG Citizen to 15 Years for 'Subversive Acts' E 3
[NEUES DEUTSCHLAND 18 Jul]
Authorities Detain FRG Citizen Accused of Traffic Violations E 3
[NEUES DEUTSCHLAND 17 Jul]
Border Security Forces Recover Body From Mecklenburg Bay Area E 3
[NEUES DEUTSCHLAND 19/20 Jul]

HUNGARY

Premier Lazar Begins Annual Vacation F 1
Losonczi Receives New Zairian Ambassador F 1
Biannual Energy Supply, Consumption Results Reported F 1
[NEPSZABADSAG 16 Jul]
Briefs: Egyptian Ambassador's Reception; Severe Hailstorm Damage F 2

POLAND

Gierek Stresses Discipline, 'Productive Work' at Chelm Meeting G 1
Meeting With Students G 1
Gierek Speech [TRYBUNA LUDU 18 Jul] G 1
TRYBUNA LUDU Views Unrest, Explains Economic Problems [19-20 Jul] G 3
French Paper Reports on Industrial Unrest [Paris L'HUMANITE 14 Jul] G 8
Efforts To Combat Rain, Flood Damage Reported G 9
Situation Report G 9
Draining Work Underway G 9
Harvesting Begins G 9
Further Reportage on Visit of Bulgarian Premier Todorov G 10
Toasts Exchanged [TRYBUNA LUDU 15 Jul] G 10
Joint Communique [TRYBUNA LUDU 16 Jul] G 14
Foreign Minister Addresses Dinner in The Hague 14 July [TRYBUNA LUDU 17 Jul] G 17

ROMANIA

Joint Communique on Visit by Turkish Foreign Minister [SCINTEIA 19 Jul] H 1
Ceausescu Receives Palestinian National Council Chairman H 4
Ceausescu Congratulates Iraqi President on National Anniversary [SCINTEIA 17 Jul] H 5
Ceausescu Congratulates Colombian President on National Day [SCINTEIA 20 Jul] H 6
RCP Congratulates Colombian Communists on 50th Anniversary [SCINTEIA 17 Jul] H 6
Ceausescu Greets Giscard d'Estaing on Bastille Day H 7
Dumitru Popescu Received by Portuguese President H 7
Ion Coman Meets With Nicaraguan Ministers in Managua H 7
SCINTEIA Champions Peoples' Right to Independence H 8

YUGOSLAVIA

Joint Communique Issued on Visit by FRG Foreign Minister I 1
Croatian Assembly Delegation Leaves for Visit to Ukraine I 3
Dragasevic Received by Zimbabwe's Mugabe I 3
Mijatovic Speaks at Krk Bridge Opening Ceremony I 4
Visits Petrochemical Complex I 11
Presidency Discusses Economic Development, Military Training I 11
Assembly Chamber of Republics, Provinces Holds Session I 12
Kosovo Assembly Reduces Estimate of Province's Social Product [BORBA 16 Jul] I 15
Presidium Views Work Performance I 17
Slovenia's Ribicic Views Economy, Underdeveloped Regions [BORBA 16 Jul] I 17
Montenegrin Executive Council Increases Price of Bread I 19
BORBA Discusses Policy Toward Underdeveloped Regions [13 Jul] I 19
BORBA Interviews Dragosavac on Current Political Questions I 21

POLISH WORKERS' 'JUSTIFIED REVOLT' SHAKES LEADERSHIP

LD221014 Tirana in Polish to Poland 2130 GMT 21 Jul 80

[Text] The strikes by workers and the other working masses against the strivings by the Polish bourgeoisie to throw the burden of the crisis onto their shoulders has shaken Gierek's revisionist clique. Press agencies report that in the past few days there was an emergency session of the Politburo of the Polish revisionist party in Warsaw, at which session the Warsaw leaders discussed possible ways of inflicting new blows on the workers, while (?stifling) their justified revolt. In addition to the half measures leading toward an alleged bettering of workers' lives, they did not omit the threat that workers should return to work. At that session, Gierek and his gang stated that the demands of the strikers for pay rises would be examined only when they gave up their justified struggle and returned to work. In this way, the Polish revisionist bourgeoisie is removing its mask and showing more and more its face of (?wrongdoer) and oppressor, rabidly hurling itself against the working people when it sees that its interests are in the slightest way threatened.

HOXHA VISITS KORCE CITY, MEETS WITH DISTRICT PARTY LEADERS

AU192035 [Editorial Report] Tirana Domestic Service in Albanian at 1800 GMT on 19 July broadcasts a recorded 20-minute report on a recent visit of AWP Central Committee First Secretary Enver Hoxha in Korce City. He was accompanied by AWP Central Committee member Nexhmije Hoxha. An on-the-scene reporter describes the visit and says that on this visit Enver Hoxha met party-state cadres and party bureau members of Korce District. At this meeting, the reporter says, Enver Halili, first secretary of the Korce District party committee, briefed Enver Hoxha on the moral and political stand of the people of Korce District who have been solidly mobilized to fulfill the tasks in all fields of work and defense. He also referred to some shortcomings in the fulfillment of tasks resulting from inefficient organizational and guidance work. The reporter then goes on to say that Enver Hoxha also spoke at the meeting. He said, among other things: "I think you are effectively dealing with problems. This was shown also by what the comrade secretary said. This is also obvious from the progressive development of the economy, the people's welfare and the improvement of the moral, political and educational standard of the broad people's masses. But, regardless of our progress," Comrade Enver said, "still much remains to be done, considering the international situation and current stage of our country's development."

The reporter says Comrade Enver Hoxha then referred to the recent Eighth AWP Central Committee Plenum which discussed further development of science. "At the foundation of that exceptionally important plenum-- which was, shall we say, a prelude to our coming party congress to be held next year-- are the objectives which should help the transition from the current stage to a more advanced stage materialize in a much shorter time," Comrade Enver Hoxha stressed. The reporter then says that Comrade Enver Hoxha dealt with the problem of plan drafting which, he said, should be discussed in a party spirit. He also referred to the prospects of our industry and agriculture in the coming 5-year plan. Comrade Enver Hoxha, the reporter says, referred also to the increase of the authority of Socialist Albania in the international arena, and the simmering revolutionary struggle of the people and stressed "that the popular revolt is now being manifested in various forms. Therefore, we should be familiar with the world situation." The reporter concludes by saying that Comrade Enver Hoxha and Nexhmije Hoxha then visited a number of families of militant communists in Korce City and then left for Pogradec for a holiday. On their way to Pogradec, they made a stopover at the sugar factory at Maliq.

ZHIVKOV GREETS IRAQ'S SADDAM HUSAYN ON NATIONAL HOLIDAY

AU211715 Sofia RABOTNICHESKO DELO in Bulgarian 17 Jul 80 p 1

[Text] Todor Zhivkov, BCP Central Committee first secretary and State Council chairman, has greeted Saddam Husayn, chairman of the Revolutionary Council and president of the Republic of Iraq, on the occasion of 17 July--the country's national holiday. The greetings message stresses that our people are following with great sympathy Iraq's efforts to accelerate development and highly values the results achieved by the Iraqi people.

The message expressed confidence that the Bulgarian-Iraqi relations will continue to develop and strengthen in the benefit and for the prosperity of the Bulgarian and Iraqi peoples and in the interest of the common struggle against imperialism and Zionism, for peace and cooperation among world states.

PORTUGAL'S CUNHAL ARRIVES 21 JULY ON VACATION

AU211638 Sofia BTA in English 1437 GMT 21 Jul 80

[Text] Sofia, July 21 (BTA)--Mr Alvaro Cunhal, secretary general of the Portuguese Communist Party, arrived on vacation here today at the invitation of Mr Todor Zhivkov, first secretary of the CC of the BCP.

BRIEFS

TODOROV AT AGRICULTURAL CONFERENCE--A conference of agricultural cadres from the country chaired by Grigor Stoichkov, deputy chairman of the Council of Ministers, was held at the Council of Ministers today. The new documents connected with the management of the new investment process were explained. "Stanko Todorov, chairman of the Council of Ministers, delivered a speech and focused attention on the lagging that has been allowed to occur in the first 6 months of the 1980 plan and emphasized that it was necessary to establish a good organization by using the levers of the new economic mechanism so that the present existing shortcomings may be overcome." [Sofia Domestic Service in Bulgarian 1730 GMT 18 Jul 80 AU]

PORTUGUESE DELEGATION DEPARTS--The members of the Revolutionary Council of Portugal General Francisco Sarais and Col Pisart Correa left our country yesterday. They had visited our country at the invitation of the Fatherland Front National Council. At Sofia airport the guests were seen off by Sava Dulbokov, first deputy chairman of the Fatherland Front National Council. [Text] [Sofia RABOTNICHESKO DELO in Bulgarian 8 Jul 80 p 3 AU]

NEW STATESMAN REPORT ON CIA OPERATIONS IN UK NOTED

LD211111 Bratislava Domestic Service in Slovak 0500 GMT 21 Jul 80

[Text] Today, American policy can no longer be conducted without interference into the affairs of other countries, without exerting pressure, violating privacy and civil rights. Karel Stary, our London correspondent, had this to say about an affair, which such interference provoked in Great Britain:

The American base at Menwith Hill in Yorkshire, with two massive concrete buildings, large underground facilities and an array of antennae, equipped with the most up to date computers and satellite-tracking equipment, is officially an American telecommunications center. As the journal NEW STATESMAN has revealed, its main purpose is to tap telephone conversations and to monitor teleprinter networks throughout Europe, in Great Britain and between Europe and the United States.

Eight hundred employees of the American secret service, including the CIA, have been gathering and processing for at least the past 15 years military, political and economic information from recorded conversations and telex messages, with a special focus on government officials, diplomatic officials, big companies and trade union representatives, at this the largest, the most guarded and the most secret civilian base of this kind, which the CIA has outside U.S. territory. The monitoring, espionage base also has a direct communications links, via satellite, with the headquarters at Fort Meade in the United States, with bases on the territory of the FRG and Diego Garcia Island in the Indian Ocean.

As the weekly NEW STATESMAN goes on to recall, first mention about the possible real purpose of the base at Menwith Hill appeared in the United States 5 years ago during investigations into the activity of the American intelligence agencies, although no details surfaced at that time. Since this base on British territory is regarded with such importance, everything was done to ensure that all details were concealed even before members of Congress.

BRATISLAVA PRAVDA CITES PZPR PAPER ON WORK STOPPAGES

AU221055 [Editorial Report] Bratislava PRAVDA in Slovak on 21 July on page 4 carries, under the headline "Order Depends on People; TRYBUNA LUDU on the Present Situation in Poland," a 500-word "JL"-signed report on the TRYBUNA LUDU editorial article "People Want Order--Order Depends on People," published in the paper's issue of 19-20 July.

After citing the Polish paper on the untapped reserves of the Polish economy--especially effectiveness--and on the discussions called forth by the present economic situation in the country the report goes on to quote: "however, these discussions must not take place at the expense of work. They must not disturb its normal rhythm. A discussion must be welcomed which promotes order and intensifies advantageous changes and not difficulties. There is a time for work and there is a time for discussions." The PRAVDA report then quotes the Polish paper as saying that "there is no reason why any disputes should lead to stoppages of work [prostoj]" and that "calm and productive work is our fundamental chance for overcoming difficulties."

Moving on to the causes of the present disputes, as outlined by the Polish paper, the PRAVDA report also mentions the "question of the method of meat sales at so-called commercial prices" and cites TRYBUNA LUDU's warning against "unrealistic economic demands in the present situation" which "lead only to social disorientation and frustration."

In concluding the report PRAVDA cites the Polish paper's call for "quiet and order" and its warning that "in the present economic situation, in light of the natural catastrophe that has struck many parts of the country, every day not worked aggravates the difficulties and causes further losses."

WFTU CALLS ON MEMBERS TO EXPRESS SOLIDARITY WITH CUBA

FL162026 Havana Domestic Service in Spanish 1700 GMT 16 Jul 80

[Text] The World Federation of Trade Unions [WFTU] has called on all its members to commemorate the 26 July anniversary with a great international event of solidarity with the Cuban people. In a declaration made public in Prague, the WFTU hails the 26 July anniversary and states that it marked the beginning of the end of capitalist exploitation and of a new era of social progress for Cuba and the Latin American Continent. At the 22d meeting of the WFTU bureau held in Benin, the organization denounced the dangers entailed in repeated U.S. provocations against Cuba and demanded an end to the blockade against the Antillean island of freedom.

CHNOUPEK SENDS LETTER TO WALDHEIM ENDORSING DISARMAMENT

AU180840 Prague RUDE PRAVO in Czech 16 Jul 80 p 1

[CTK New York dispatch: "Czechoslovak Letter to K. Waldheim"]

[Text] New York, 15 July (CTK)--A letter from Bohuslav Chnoupek, CSSR minister of foreign affairs, on the topic of declaring the eighties the second decade of disarmament, has been handed to UN Secretary General Kurt Waldheim by the CSSR's permanent representative in the United Nations. In the letter the CSSR expresses its positive attitude to the achievement of aims of the forthcoming decade of disarmament and its willingness to most actively contribute to solving the problems of disarmament and the consolidation of peace in the world. This positive and constructive attitude to the solution of disarmament questions had already been unambiguously expressed by the CSSR in the declaration on international cooperation for achieving the disarmament aims, adopted on its initiative at the 34th UN General Assembly session. This attitude is also confirmed by all the proposals contained in the joint declaration adopted by the session of the Warsaw Pact's Political Consultative Committee this May in Warsaw.

ROSTISLAV PETERA DIES; HUSAK EXTENDS CONDOLENCES

LD211742 Prague Domestic Service in Czech 1630 GMT 21 Jul 80

[Excerpts] Rostislav Petera, member of the Presidium of the National Front Central Committee, Federal Assembly deputy minister of the Czech Government, and chairman of the Czechoslovak People's Party, died early this morning. Gustav Husak, general secretary of the CPCZ Central Committee, president of the republic and chairman of the National Front Central Committee has expressed his deep condolences to the family of the deceased.

BRATISLAVA PRAVDA VIEWS CORRUPTION IN DAILY ECONOMIC LIFE

AU212020 [Editorial Report] Bratislava PRAVDA in Slovak on 18 July on page 3 carries, under the headline "The 'Vicious Circle' of Corruption," a 3,000-word article by Lubos Criz, a PRAVDA editor and Imre Fulop, editor of UJ SZO, the Hungarian language organ of the CPSL Central Committee.

On the basis of the two editors' tour of the Druzba united agricultural cooperative in Balog Nad Ipelom in Velky Krtis District the article discusses the problem of bribery and corruption in daily economic life.

The first person the editors contact in the cooperative is the farm's control official Lukac Zolczer. When asked who are the recipients of the farm's bribes--usually vegetables and wine--Zolczer responds: "Look, I am not sure that it will help when I tell you who are the most frequent recipients of vegetables and wine. On top of that, I am not sure that it would not harm the cooperative. Do not be surprised. If I mention names we may have to pay dearly for it in terms of spare parts or new machines for the cooperative or God knows in what way. People are not angels...."

The next stop on the editors' tour is the office of the cooperative's vegetable production branch. When confronting the employees with the fact that a number of the farm's vegetable deliveries are not invoiced and not paid for, the journalists are told: "Look, this is all for the employees of various institutions that we once needed or which we need now. They are collecting in this way some sort of a good will task."

"Do they come themselves, or do they just send their drivers? We want to know".

"What do you mean, drivers? They come to choose themselves. They know no shame. They do not mind that they are enriching themselves at our expense and at the expense of their enterprise's services and that they are wasting fuel. Their sole concern is to have fresh vegetables at home. Many of them say that they do not need it for themselves but for someone else in order to have some other business done."

According to estimates of the employees of the vegetable production office the cooperative farm annually uses vegetables worth Kcs30,000 or 1 percent of the entire production "in the form of various bribes and 'taxes'." The percentage of wine production, "which is a much more popular corruption commodity," leaving the farm in this way is said to be "much more significant."

When asked for a statement the cooperative's Chairman Jan Bodonyi voices the conviction that "these practices cannot be stopped by one cooperative farm alone. If I do not give, the neighboring cooperative farms will, and we will become known as skinflints. These practices would have to be stopped everywhere at once...." Bodonyi also says that "the negative phenomena connected with corruption will not be easy to eliminate. People in the united agricultural cooperative know about them. They realize that part of the cooperative farm's money has to be spent for purposes that are difficult to justify officially but the reasons for which are literally so vital that the cooperative has no alternative.

"I personally make a distinction between two different destinations for our produce--that is, wine and vegetables. It is one thing when you want to express your appreciation for a person who did some service for you, who was willing to work extra hours. We gladly give such a person a few green peppers or 5 liters of wine. It is a quite different thing when people should be settling matters within the framework of their normal work and instead profit from it. They profit either because there is a shortage of one thing or another or because they themselves artificially create a shortage and then deliver it to those who offer most. And what if we do not need just spare parts worth a few korunas but new machines or a bus? Then it is not enough to give just a bottle of wine.... You know, the worst thing is that we have grown accustomed to organizing matters in this way and many officials (or should I say parasites?) regard their clients as their milk cows."

"What about functionaries and other leading workers?"

"Even among them you can find those who stop by here when they need something, such as seedlings for their gardens, even though they could grow them themselves since they have hothouses or which they could buy on the market since their income is not low. But it is apparently more convenient to come here with one's official car, to save some money--it may be just Kcs100 or Kcs200--and to take the seedlings directly to one's own garden, or they travel 50 kilometers to ask for wine for a christening party. One of them has a birthday, the other's daughter is getting married.... This year we have merged our cooperative and are trying to limit these phenomena... but it is not always possible."

The article goes on to say: "We wanted to know names, specific data appealing to the conscience of everyone who shamelessly and with impunity takes advantage of his office. However the cooperative's chairman was afraid. It is easy to throw a boomerang; it is worse to wait to see from which side it will return and strike. You know, I think that the struggle against such practices must start from above."

Imrich Lestyanszky, head of the cooperative farm's repair shop, is skeptical about the chance to eliminate corruption as long as there are products or services in short supply. He says: "To give an example: A warehouse employee has 10 pieces of variable drive rubber belts. We give him some wine and the machine is working. If I do not give him anything, I will not get anything. Should I disclose it? In that case we will not get anything, either. The warehouse employee will be replaced but his successor will remember us very well."

The head of the repair shop then refers to his "bad experiences" with the Rimavska Sobota enterprise for agricultural technology where "it is not usual to knock on doors because one is expected to come with one's hands full" but refuses to reveal further details "lest he find the doors there closed in the future." He also notes that "in the Czech service enterprises for agriculture bribery is by far not as widely spread" as in Slovakia. Joining in the discussion is the cooperative's chairman who notes that "to get a Tatra truck with a load bed capacity of 10 cubic meters requires giving Kcs5,000-10,000." The money reportedly goes to "several pockets" but the chairman of the farm refuses to reveal who the recipients are.

Speaking on the general implications of their tour of the Druzba farm, the authors say: "Both the cooperative farm and the district were chosen at random. A similar situation and similar views could be encountered at many other places as well, possibly in an even more extreme form. Our only concern was to show with the example of specific conditions and specific people an abuse that is quite alien to the socialist way of life.

"What is to be done against corruption in our socialist society? We must openly admit that it is deeply rooted in people's awareness and in people's conduct. There are still enough people around us who do not view a bribe as something immoral. On the other hand there are many people whose dignity does not allow them to give or to accept bribes. What is to be done to prevent any dire need from forcing even them to violate this principle governing their life?

"We have already hinted at one of the feasible ways--personal example, especially example set by leading workers. The other way is frank, specific and uncompromising criticism--not only in the press but, in particular, in party organizations. All occasions must be used to criticize, embarrass and attack those who are corrupt. There is no need to be considerate; there is no need to justify one's own conduct and the conduct of others who criticize. If we all succeed in openly criticizing and speaking out against all forms of corruption, the ice will inevitably start to break."

OFFICIAL REPORTS ON ECONOMIC RESULTS OF FIRST HALF OF 1980

LD201257 Prague Domestic Service in Czech 1045 GMT 19 Jul 80

[Talk by Jan Kazimour, chairman of the Federal Statistical Office, on the half-year results of the Czechoslovak economy--recorded]

[Text] On the whole the Czechoslovak economy has been developing successfully during the first half of 1980, marked by the fact that in the last year of the current 5-year plan a large section of the working people have been inspired by the development of socialist competition in honor of the 35th anniversary of the liberation of our homeland. This initiative, which stemmed from the critical assessment of the work of our enterprises at the 14th session of the CPCZ Central Committee and the low initial base, in comparison with the first half of 1979, when a number of branches flopped as a result of natural calamities, is reflected in the results of the first half of the current year.

One can already discern a trend for the whole year in that great difficulties persist in safeguarding the mining of fuel ores. In particular, this concerns the delayed removal of the overburden in the North Bohemian lignite field, which until now has deprived our economy of more than 1 million tons of lignite. Equally, the increasing competitiveness in export markets and the increase in import prices mean that the influence of the world market will be reflected on our economy in the current year.

Safeguarding the good quality harvest of agricultural crops, with high yield expected according to forecasts, remains a big problem.

In the individual areas of our life there has, above all, been a certain improvement in the domestic market in consumer supplies, due to the fact that the agricultural sector produced, for instance, an extra million liters of milk and 50 million eggs in comparison with last year. The overall stock of goods supplied by the industry for the home market has increased by 4.2 percent. The structure of demand, in particular for better quality and more sophisticated kinds of goods, has not yet been fully met, although the government has adopted a number of measures which will, in the coming months and the coming year, positively influence our home market. Sixty-five enterprises, 12 percent, have failed to fulfill deliveries to the distribution network. This has upset the desired structure of the range of goods.

Retail trade turnover has increased by 4.9 percent, while the money income of the population has risen even faster, by 5.6 percent. Our population has acquired, in comparison with the first half of the past year, an extra Kcs7 billion in money income, which is an extra Kcs457 per person. During the past 6 months, deposits and money in circulation have risen slower than last year, which shows that the overwhelming portion of the increased incomes have been applied on the home market. The price increases, which have occurred since the middle of the last year, means that the real volume of retail trade turnover has actually been lower.

With regard to energy supplies, both to the population and the industry, one can state that it was on the whole equitable, while electricity output has risen by more than 8 percent. Capital construction has surpassed the state plan by more than 5 percent. At the same time the planned number of flats has not been built and the number of flats handed over for occupancy has been lower, in comparison with the same period of last year.

Industrial production has been developing, in essence, in keeping with the annual plan, while the first half of the current year had 1 working day less, so that the daily output and productivity of labor have been rising faster. There exist only four sectors where the planned output has not been achieved--lignite, pig iron, the engineering and paper industries. Coal output has been jeopardized by the fact that the removal of the burden in the North Bohemian lignite field has not been kept sufficiently ahead, as well as by the continually low performance of mining machinery, especially at TC3, a technological complex for the removal of the overburden, which is undergoing production tests. The removal of the overburden has remained 8 million cubic meters below target during the first half of the year. Nine coal mining enterprises have failed to fulfill the plan.

The iron industry is limited in future development both by the basic raw materials used as well as by the intentions of the state plan to restrict trends that in the past were typical for the development of that branch.

In the engineering branches the lowest growth rate has been recorded in the output of the heavy engineering sector, this by 2 percent, while the fastest growth rate has been recorded in the general engineering sector, this by more than 6 percent. In the engineering branch 90 enterprises, 36 percent, have failed to fulfill the plan, in particular Skoda Plzen, Ckd Dukla, Zbrojovka and the Bratislava electrical engineering works.

In the chemical branch, the most rapid growth has been recorded in nitrogen and potash fertilizers, this by more than 10 percent.

Deliveries of industrial enterprises have been oriented, in keeping with the state plan, to a greater extent on exports, this by 6.6 percent, and to an ever greater extent to the socialist countries, this by 7.1 percent. In contrast, and in accordance with the intentions of the plan, the volume of deliveries of machinery and equipment for capital investment has declined by more than 2 percent. The most pronounced growth in the sphere of engineering production has been achieved in the manufacture of textile machinery, tractors, buses and domestic washing machines.

Differences in the fulfillment of targets are being made up amongst enterprises only gradually. The shortfall in industrial output of Kcs 1.6 billion amongst 172 industrial enterprises which have failed to fulfill the plan had to be made up by others surpassing the plan by Kcs 2.5 billion. The volume of first-class quality products and the products that have attained world standard in their technical aspects has increased, but their share in overall output continues to remain low. The quality and slow degree of modernization of the manufactured goods, especially engineering output, is reflected in the low growth of prices attained in exports, especially in exports to the non-socialist countries.

Transport, too, has been developing in parallel with the development of industrial and agricultural production. Faster than cargoes carried by rail, where the : of fuels of metallurgical and engineering products have failed to fulfill their preliminary plans, has been the development of road transport, which carried an extra 6.1 million tons of goods.

In assessing the fulfillment of the plan by individual enterprises, differentiation in accordance with qualitative aspects is finding greater and greater application. In the course of the first half of the current year the number of enterprises that have fulfilled all qualitative indicators constitutes around 43 percent, but in the building sector their numbers hover around 14 percent.

The best have fulfilled the targets for exports into the socialist countries and the targets to lower total costs. Adjusted performances for the past 5 months in all economic state organizations have increased by almost 8 percent while the overall costs have increased by 5 percent. Profitability in relation to overall costs has been 12 percent against 11 percent last year. This is testimony to the gradual introduction of the new set of measures.

In the nonproductive sphere, three branches--education, health services and domestic trade--have recorded the fastest influx of manpower caused by the fact that these branches cannot be mechanized. The population growth, which in the past period meant an annual increase of roughly 100,000 inhabitants, has to be projected into the extent of services of these branches. Currently, population development is not as favorable as it was during the past decade; during the first half of the current year the growth of the population was merely 37,000 a decline in births of 9,000.

Statistics have shown that the dynamic development of the economy has continued during the first half of the current year, with the exception of the building industry, and that simultaneously there persists differences in development between individual enterprises and organizations. Statistics alone can by its methodology discern the synthesis and structure and differentiation between individual units and can thus help to expose reserves.

The results of the first half of the current year demonstrate that the set of new measures points at ways of utilizing the reserves our economy still has.

VECERNI PRAHA: ECONOMIC EXPERIMENT PROVED 'WORTHWHILE'

AU211220 Prague VECERNI PRAHA in Czech 18 Jul 80 p 2

[Vladmir Soukup article: "VECERNI PRAHA commentary: What the Experiment Revealed"]

[Text] The comprehensive experiment on the management of effectiveness and quality has been a sort of a forerunner of the perfected system of the planned management of the national economy that will go into effect at the beginning of the next year. In Prague it has been in operation in 6 industrial enterprises since 1978, and 4 more enterprises of the food industry joined in a year later.

These 10 representatives of the capital city constitute 8.8 percent of the overall number of enterprises, account for 8.9 percent of all employees and 10 percent of Prague's total production. Thus, they constitute an adequately representative sample to be of general validity.

Today the experiment is approaching its end. It is time to assess its contribution and ponder the positive things ascertained and shortcomings. The most positive thing has been the discovery that one of the experiment's key objectives has been successfully fulfilled--to raise the quality and the technical standard of products while reducing the plan's volume indexes. The results have proved it quite convincingly. While the state testing authorities last year rated 4.5 percent of the products of the Prague industry as a whole to be of first class quality, they rated 12.6 percent of the products manufactured by the enterprises taking part in the experiment and 15.9 percent of engineering products as being of first class quality. While the Prague-wide average of complaints about poor quality amounted to 2.5 percent of the overall volume of goods, with the enterprises participating in the experiment the figure was only 0.8 percent. [paragraph continues]

The 10 selected enterprises also achieved better results as regards dynamism of exports, in the effectiveness of exports to the socialist countries, in profits and in reducing demands on the consumption of materials. The wages of the employees of these enterprises--as a result of the new regulations concerning material incentives--were higher than the Prague industry's average as a whole.

However, all these indisputable positive aspects in no case mean that we should look at the results of the experiment through rose-colored glasses. There are plenty of problems that still have to be resolved. In the first place we must ponder why we have not succeeded in increasing the effectiveness of exports to the nonsocialist countries, why the increase in labor productivity has considerably dropped in the second year of the experiment, why in the case of engineering enterprises it even dropped below the 1978 level, and why some of the financial indexes were not up to the required standard.

But despite these question--to which we will certainly find answers in time and we will implement our findings in the coming years--the experiment has proved to be worthwhile and confirmed that new elements have their place in the management of our economy.

BRIEFS

FRUIT, VEGETABLE HARVEST--Due to adverse weather conditions, the vegetable procurement plan for the first half-year 1980 in the Czech Socialist Republic [CSR] was fulfilled only 68.3 percent; in June alone the shortfall of early vegetables amounted to more than 15,000 tons. By the end of June only about 25 percent of the planned fruit was procured in the CSR. The estimated harvest of cherries this year will be about 50 percent under the planned amount, and that of apricots roughly 25 percent. [Prague RUDE PRAVO in Czech 17 Jul 80 pp 1, 2 AU]

FIELD DAMAGE IN SLOVAKIA--Owing to bad weather, more than 60,000 hectares of land--22,000 hectares of it planted with cereals--have been damaged in the east Slovak lowlands, in the Michalovce and Trebisov Districts. In the Michalovce District the damage is estimated at Kcs110 million and in the Trebisov District at about Kcs85 million. In the Humenne District bad weather has caused damage to the tune of Kcs22 million, which includes both damage due to the ground being awash with ground water and swamping [zamokrit], and damage due to local floods, hailstorms and rainstorms. Apart from cereals and grain corn, which suffered practically everywhere, the situation is gravest in fields planted with sugar beet, where about 1,560 hectares will probably have to be plowed under. The situation is similar also with some other crops. Special measures have been adopted for the affected east Slovak districts: the planned deliveries of fodder mixtures for cattle will be raised; harvesting technology and machines for soil preparation and sowing will be delivered there on a priority basis; further deliveries of industrial fertilizers will be released; and limits for heating oils for drying fodder and grain will be raised. Agriculturists in western Slovakia have assumed the task of ensuring seed reserves for eastern Slovakia. Despite all the problems the harvest appears to be good. [Prague RUDE PRAVO in Czech 17 Jul 80 pp 1, 2 AU]

GHANAIAN AMBASSADOR ENDS TOUR--Prague--Ghanaian Ambassador Alexander Arthur Crabbe left Prague Friday after ending his tour of duty in Czechoslovakia. [Text] [Prague CTK in English 1917 GMT 18 Jul 80 LD]

AMBASSADOR TO TUNISIA--Prague--Czechoslovak President Gustav Husak appointed Andrej Petricek new ambassador to Tunisia, and recalled Cestmir Janout from the post. [Text] [Prague CTK in English 1725 GMT 21 Jul 80 LD]

HONECKER, STOPH CONGRATULATE NICARAGUA ON REVOLUTION ANNIVERSARY

LD190930 East Berlin ADN International Service in German 0117 GMT 19 Jul 80

[Text] Berlin--Erich Honecker and Willi Stoph have sent a cordial telegram of congratulations to the National Executive of the Sandinist National Liberation Front and the Council of State of Nicaragua on the first anniversary of the victory over the Somoza dictatorship.

The telegram pays tribute to the achievements of the Nicaraguan people in the democratic transformation of their country and their struggle against imperialist machinations. It stresses that the GDR people will always stand by the Nicaraguan people as a faithful friend and ally.

HOFFMANN RECEIVES, DECORATES MEXICAN NAVY SECRETARY

LD211418 East Berlin ADN International Service in German 1330 GMT 21 Jul 80

[Text] Rostock--The GDR defense minister, Army Gen Heinz Hoffmann, today received the Mexican secretary of the navy, Adm Ricardo Chazaro Lara, for a friendly talk.

The admiral, who is paying an official visit to the GDR, described the current visit to Rostock by the training ship "Comodoro Manuel Azueta" of the Mexican Navy as an expression of the successfully developing friendly relations between the two countries and their armies.

Army General Hoffmann paid tribute to Mexico's contribution to the consolidation of peace and the implementation of the policy of detente and disarmament in the world.

He expressed his pleasure at the first visit to the GDR by the Mexican Navy. On behalf of Erich Honecker, the general secretary of the SED Central Committee and chairman of the GDR Council of State, Army Gen Heinz Hoffmann invested Admiral Chazaro Lara with the military order "For Meritorious Service for People of the Fatherland in Gold."

On behalf of President Jose Lopez Portillo, Admiral Chazaro Lara presented Defense Minister Hoffmann and Adm Wilhelm Ehm, chief of the People's Navy, with high Mexican orders for their service in the development of friendship and cooperation between the armed forces and fleets of the two countries.

NEUMANN PRESENTS PATRIOTIC ORDER TO TRANSPORT MINISTER

LD191324 East Berlin ADN International Service in German 0927 GMT 19 Jul 80

[Text] Berlin--On his 60th birthday GDR Transport Minister Otto Arndt was today awarded the Patriotic Order of Merit in Gold. The order and the message of congratulations of the SED Central Committee were presented by Alfred Neumann, member of the SED Central Committee Politburo and first deputy chairman of the Council of Ministers.

Otto Arndt is a member of the SED Central Committee. The high honor was conferred on him by the chairman of the GDR State Council, Erich Honecker, at the proposal of the SED Central Committee Politburo and the Presidium of the Council of Ministers.

Cordial greetings and congratulations were also extended to Otto Arndt by the State Council, the Council of Ministers, friends and fellow fighters.

GERSTNER STRESSES NEED FOR RAILWAY ELECTRIFICATION

DW211033 East Berlin Domestic Service in German 0907 GMT 20 Jul 80

[Dr Karl-Heinz Gerstner's "Sunday Economic Review"]

[Excerpts] Since the current oil price explosion necessitates a change in the exploitation of energy, the current division of tasks between the highway and the railway must be reconsidered. In the interests of saving energy, the railway will have to take over more tasks when it comes to transporting goods and passengers. This is an important point in the plan discussions held by transportation enterprises and others.

When occasional bus lines are discontinued or curtailed, it seems important to me to explain such transportation changes to the public in time and explicitly. The understanding and agreement of the passengers with regard to such changes depends on this.

Dear listeners, we have changed our railway system by replacing steam locomotives with diesel and electric locomotives. That was a great rationalization measure aimed at saving energy. In view of the new oil situation, we will change the railway system to the advantage of electric locomotives. The electric locomotive is by far the most economical form of railway engine. Investment costs for electrification, however, are high. We are going to have to put up with them. We are going to speed up electrification of our railway network considerably. That is one of the great tasks of the forthcoming 5-year plan, and quite a bit of activity will take place in this field next year. Railway electrification is therefore an issue in the transportation organization's plan discussion and that of many suppliers.

There is, for example, the electric locomotive construction plant in Hennigsdorf. The locomotive builders began their plan discussion on Tuesday. Next year they aim for a 50 percent increase in the production of electric locomotives for our railway system.

Dear listeners, you will have noticed on your visits that there are new masts next to the tracks on the Leipzing-Berlin and Dresden-Berlin lines. Electrification work is in full swing. One important project is the connection of the capital Berlin with the electrified railway system of the Halle-Dresden region. As a result of electrification in the next 5-year plan the Reichsbahn will have a 20 percent savings in energy, while labor capacity will be reduced by 10 percent despite growing transport capacities.

Plan discussions in enterprises must take place within the framework of such economic considerations. The aim to save energy will probably play a part in all plan discussions. Considerations by energy suppliers are very important in this connection, as became obvious on Friday at the nuclear powerplant Nord. Minister [for coal and energy] Mitzinger took part in the first plan discussion there.

Dear listeners, we have been applying somewhat stricter standards lately to duty trips by car and to bus transportation.

KROLIKOWSKI ATTENDS PLAN DISCUSSION AT STEEL WORKS

LD212144 East Berlin Domestic Service in German 2000 GMT 21 Jul 80

[Excerpts] The 1981 plan discussions began today in the ore mining, metallurgy and potash industry sector with a meeting of shop stewards in the Brandenburg steel and rolling works.

In the presence of Werner Krolikowski, member of the SED Central Committee Politburo and first deputy chairman of the Council of Ministers, the Brandenburg workers mainly discussed how they could exceed the state tasks in the coming year in selected areas.

Werner Krolikowski thanked the metallurgists for their exemplary work. The key problem of high performance development is the effective acceleration of scientific-technological progress. The results achieved in this should be converted into effective processes in accordance with international standards.

COURT SENTENCES FRG CITIZEN TO 15 YEARS FOR 'SUBVERSIVE ACTS'

AU211034 East Berlin NEUES DEUTSCHLAND in German 18 Jul 80 p 2

[Text] Berlin (ADN)--On 17 Jul 80, the Potsdam Bezirk Court sentenced FRG citizen Wolfgang Meyer to 15 years imprisonment for a crime committed in abuse of the transit agreement under Section 105 of the Criminal Code. An agent of a criminal gang, who is also a drug addict and has a criminal record in the FRG for embezzlement, drunken driving, disturbance of domestic peace and security, damaging property and car theft, Meyer participated intentionally and very actively in subversive acts on the GDR transit routes. For instance, he was instructed by gang chief Wolfgang Grosser from Berlin (West) to undertake journeys as escort driver and courier regardless of the fact that he did not possess a valid driving license. Proof was given in the main trial that Meyer made his living solely from his criminal offenses. He also let himself be recruited by a gang led by FRG citizen Wuchold, who along with other crimes repeatedly organized the theft of paintings from GDR galleries and museums and brought them to the FRG in abuse of the transit routes. The Mercedes car used for the crimes, with the license plate numbers MR-CV 638, was impounded.

AUTHORITIES DETAIN FRG CITIZEN ACCUSED OF TRAFFIC VIOLATIONS

AU181107 East Berlin NEUES DEUTSCHLAND in German 17 Jul 80 p 2

["Traffic Rowdy Apprehended in Transit"]

[Text] Berlin (ADN)--FRG citizen Peter Fischer was apprehended on the Staaken-Horst transit route for grossly endangering traffic, speeding with a vehicle that did not meet safety standards, rowdyish behavior and for insulting the control forces of the People's Police. He was turned over to the appropriate organs for examination.

BORDER SECURITY FORCES RECOVER BODY FROM MECKLENBURG BAY AREA

AU211649 East Berlin NEUES DEUTSCHLAND in German 19/20 Jul 80 p 2

["Unknown Person Recovered From Baltic Sea"]

[Text] Berlin (ADN)--Responding to information from the FRG maritime radio service, GDR ships and helicopters began a search for a missing person on 17 July 1980. Subsequently, a GDR Border Security Forces ship recovered an unconscious male drifting in a rubber dinghy in stormy winds and rough seas in the Mecklenburg Bay area north of Warnemuende. The rescued person died despite immediate first aid and subsequent comprehensive medical treatment. The appropriate state organs are conducting investigations, particularly in order to establish the identity of the person.

PREMIER LAZAR BEGINS ANNUAL VACATION

LD212244 Budapest MTI in English 1706 GMT 21 Jul 80

[Text] Budapest, July 21 (MTI)--Gyorgy Lazar, chairman of the Hungarian Council of Ministers, began his(?regular) annual vacation.

LOSONCZI RECEIVES NEW ZAIRIAN AMBASSADOR

LD212152 Budapest MTI in English 1721 GMT 21 Jul 80

[Text] Budapest, July 21 (MTI)--Pal Losonczi, president of the Presidential Council of the Hungarian People's Republic, received on Monday Ambassador Extraordinary and Plenipotentiary Ngongo Kamanda, new ambassador of the Republic of Zaire to Hungary, who presented his credentials to the Hungarian head of state.

Also present at the event was Hungarian Deputy Foreign Minister Vencel Hazi.

BIANNUAL ENERGY SUPPLY, CONSUMPTION RESULTS REPORTED

AU180933 Budapest NEPSZABADSAG in Hungarian 16 Jul 80 p 5

[Text] The energy consumption of the people's economy developed favorably in the first half of the year. Both overall consumption and electric power consumption were about the same as in the corresponding period of last year. Among other factors, the development of industrial production played a role in this, but--although its effect cannot yet be assessed in terms of the statistics--more rational management was instrumental in it as well.

It is a particularly favorable fact that gasoline consumption has not risen and the consumption of gas oil [gazolaj] was 4 percent lower than last year. Consequently, it was possible to increase exports in high-grade processed petroleum products, which has improved the country's balance of payments.

The domestic energy producing sectors, which, despite difficult circumstances, overfulfilled their plans, played a large role in ensuring an even energy supply. Due to better work organization than before, the coal mines produced 12.7 million tons of coal. While in the first half of last year 400,000 tons of coal were produced on days that should have been days of rest, only 270,000 tons of coal were produced this year on such days. This shows that weekday shifts are being used to better advantage. Despite a landslide in the spring which greatly hindered production, particularly great efforts were undertaken by the miners of the Visonta Thorez surface mine, who fulfilled their 3.5 million-ton plan.

The domestic crude oil and natural gas extraction sector overfulfilled its plan. The 1.1 million tons of crude oil it produced exceeds the plan by 2.5 percent. The quantity of crude oil scheduled for this period has arrived from the Soviet Union.

The output of the natural gas industry was 3.2 million cubic meters--6 percent more than last year. The fact that this year 3.8 billion cubic meters of natural gas will arrive via the alliance pipeline from the Soviet Union is playing a major role in the improvement of supplies. Also the quantity of natural gas scheduled for this period has arrived.

The people's economy used a total of 15.3 billion kilowatt-hours of electricity in the first half of the year. A quarter of this came from the Soviet Union via the long-distance powerline. Importing more electricity was a great help in making domestic production more economical because it enabled coal-fired powerplants to satisfy the bulk of the requirements.

For this year, we have planned on an increase in energy consumption of approximately 2 percent. The consumption rate for the first half of the year is below this. To ensure that consumption does not increase in the second half either, a continued large role must be assigned to conservation and to the development of a rational management of energy sources.

As for the population, households consumed 1.5 percent less electricity than in the corresponding period of last year. The residents of Budapest excelled in this respect. They consumed 8 percent less electricity. Compared with their consumption a year ago, the consumption of provincial households increased by 2.5 percent. However, this does not indicate wastage, but genuine requirements. The introduction of daylight saving time contributed to the savings. Even during the evening peak period, the demand on powerplants is 80-90 megawatts lower than previously.

BRIEFS

EGYPTIAN AMBASSADOR'S RECEPTION--On Thursday Salah Basyuni, ambassador extraordinary and plenipotentiary of the Arab Republic of Egypt in Budapest, held a reception at his residence on the occasion of his country's national holiday. The reception was attended by Janos Vas, deputy minister of foreign affairs, and numerous representatives of our political, social and cultural life. Many heads and members of the Budapest diplomatic missions were also present. [Text] [Budapest MAGYAR HIRLAP in Hungarian 11 Jul 80 p 4 AU]

SEVERE HAILSTORM DAMAGE--According to surveys to date, the high winds and hailstorm on Wednesday [9 July] has heavily damaged an area of approximately 28,000 hectares of Vas County's 22 large-scale agricultural enterprises. According to preliminary estimates, hail has destroyed approximately 90 percent of the wheat producing area of the Ostffyasszonyfa and Sarvar producer cooperatives. Mainly in the Sarvar and Szombathely district area, great damage has been inflicted on field crops, fruit plantations and buildings. The seriously damaged farms will receive seed and chemical fertilizer ahead of time even if they cannot pay for them at the moment. [Excerpt] [Budapest NEPSZABADSAG in Hungarian 12 Jul 80 p 9 AU]

GIEREK STRESSES DISCIPLINE, 'PRODUCTIVE WORK' AT CHELM MEETING

Meeting With Students

LD172036 Warsaw Domestic Television Service in Polish 1730 GMT 17 Jul 80

[Excerpts] A student campaign called Chelm-80 has been in progressin Chelm since the start of the holidays. Among other things, the young people are building a recreation and leisure center in the town.

Edward Gierek, first secretary of the party Central Committee, visited those taking part in the campaign today. Edward Gierek was accompanied by Andrzej Werblan, member of the Politburo and secretary of the Central Committee; Zdzislaw Zandarowski, candidate member of the Politburo and secretary of the Central Committee; Janusz Gorski, minister of science, higher education and technology; and leaders of the voivodship: Henryk Swiderski and Alojzy Zielinski.

There was a meeting between the first secretary of the party Central Committee and the aktiv of the Socialist Union of Polish Students [SZSP] and with those taking part in the Chelm-80 campaign. In his speech, Stanislaw Gabrielski, chairman of the Central Board of the SZSP, described the current tasks of the students' organization and the initiatives which will release the aspirations and ambitions of young students.

Edward Gierek spoke at the end of the meeting.

Gierek Speech

AU221126 Warsaw TRYBUNA LUDU in Polish 18 Jul 80 pp 1, 2

[Report on speech by PZPR First Secretary Edward Gierek at meeting with the participants in the Chelm-80 students' campaign on 17 July]

[Text] PAP--Speaking during his meeting with the students, Edward Gierek referred to the speeches made by the young participants in the meeting of the aktivs of the Socialist Union of Polish Students and to the results of their work and expressed the conviction that the skills they have acquired during the Chelm-80 campaign will be useful for them and the country. Recalling numerous examples of the useful work done by the students throughout the country this summer, E. Gierek stressed that the true and full measure of patriotism is expressed in dedicated, wise and persevering, urgent and effective efforts to confront the challenges of our times and to ward off the trends that endanger peace.

In our view there are no disputed problems that cannot be solved through dialogue and patient talks aimed at a better mutual understanding, Edward Gierek said. Together with the Soviet Union and all the socialist countries, we are taking active measures to defend detente and strengthen peace. Edward Gierek pointed to Poland's role in this regard. This role is known and valued throughout the world, as attested to, among other things, by the support given by many countries to Poland's peace initiatives.

Discussing developments in the international situation--developments which are exerting a considerable influence on the way in which many domestic problems of our country are solved and on the possibilities for such solutions--Edward Gierek recalled that the external and internal conditions of the past few years had created a number of difficulties for us. These difficulties are now all the more tangible since the scale and dynamics of our achievements during the past 10 years have not had any historical precedents. These achievements have greatly improved our people's living standards, but they have often given rise to excessive hopes and expectations and produced higher ceilings of social demands, which have not always been realistic.

Edward Gierek stressed in his speech that the concordant efforts of the Polish people, the understanding of the country's interests and civic discipline are the conditions for the success of national goals and plans. Anyone who now acts differently, he said, exposes the motherland to great danger and harms himself and his dearest ones.

It is necessary to bear this in mind when viewing the problems and tensions of the recent years, problems which stem to a great extent from the unfavorable and generally felt changes in the economic and political situation in the world.

Objective circumstances such as bad harvests for a number of years in a row have often been against us. Now we are also being confronted with abnormally heavy rains that have proved no less than catastrophic in some voivodships and have caused enormous material damage to equipment and cultivation. Taking advantage of the now considerable economic potential of the country, Edward Gierek said, we are trying to mitigate the results of the bad weather, but they have nevertheless affected the economic situation and living standards.

Stating that people at times ask whether the party has a program for overcoming the present difficult situation, Edward Gierek said: Yes, we have such a program. It is a program adopted by the Eighth PZPR Congress, which outlined the general lines of action aimed at overcoming obstacles and ensuring the country's favorable development. We should bear in mind, however, that this action is not easy and that it cannot produce immediate results. It requires decisions that are not always simple and popular and it compels us at times to make crucial corrections to the previous plans. Edward Gierek also drew attention to the fact that the eighth party congress had decided that the methods of the economic planning and managements to suit new conditions should be worked out. The work to devise new solutions in this regard to suit the current needs is already in progress. At the same time, work is in progress to put the economy in order in keeping with criteria of rational and effective performance. All this seeks to make better use of our production potential, which has been created through all our people's great efforts. The main source of further progress in the country's development is the better effectiveness of economic management, higher labor productivity, thrift in the consumption of raw and other materals, reduced production costs and higher quality of products.

Increased economic efficiency is the basic condition for implementing our social goals and for further improvements in living conditions throughout the country and throughout every plant, Edward Gierek stressed. There is only one way to meet our housing, food or wage needs: better and more productive work. There is no other way. All our people and every citizen must realize this truth.

Further Edward Gierek discussed the tasks facing our science, the contribution of which to Poland's further development can and should be greater because science is one of the decisive elements of the qualitative changes in the country's production potential, in relations among people and in society's consciousness.

Further development of socialist democracy also requires the participation of science. Side by side with unceasing social progress and society's growing political and cultural consciousness, socialist democracy's forms require increasingly newer and richer contents, especially with regard to democracy, participation and control, and to combining high professional competence with truly democratic methods of action.

Referring to the achievements of the Socialist Union of Polish Students, Edward Gierek stressed that the union's activities had made it a permanent element of the student community's daily life.

I ardently appeal to you, Edward Gierek said to his young listeners, to be always in the frontline of the struggle for whatever is Polish and for whatever is ours and socialist.

I deeply believe, he said in conclusion, that, as ever, young students and your organization will effectively and militantly propagate our national and social motives [racje].

Edward Gierek wished the young people happy vacations, success in socially useful work and fulfillment of personal plans.

TRYBUNA LUDU VIEWS UNREST, EXPLAINS ECONOMIC PROBLEMS

AU212115 Warsaw TRYBUNA LUDU in Polish 19-20 Jul 80 pp 1, 2

[Editorial: "People Want Order--Order Depends on People"; passages in all capitals denote boldface as published]

[Text] The past few weeks have reaffirmed once again the familiar truth that the economic situation has a strong impact on the social situation and that it is impossible to separate one from the other. We do not live in a vacuum, and this is why economic difficulties and tensions are bound to have a specific impact on the moods, frame of mind and behavior of the working people in various communities. It goes without saying that this impact is not something simple. After all, man is not a machine. Nevertheless, we can say that what takes place in the economy is reflected in society when concepts and programs acquire concrete shapes and when the time of their implementation approaches.

At the eighth party congress we openly said to ourselves: The situation is difficult and will become even more so. The situation today must be difficult so that it can be easier and better tomorrow. The eighth congress provided the party and all of us with a genuine and verifiable BALANCE SHEET OF ACHIEVEMENTS--AND WITH A BALANCE SHEET OF PROBLEMS TO BE SOLVED. These balance sheets demonstrate how great our difficulties and troubles are, how strong an impact the complicated international situation is exerting on our economy and, at the same time, how strongly we are affected by subjective difficulties which stem from ourselves. As the congress pointed out, the causes of these difficulties are varied, but their results are the same: progress in many sectors is too low in view of our potential.

This is why we must not fail to appreciate our undisputed achievements scored in this decade which is now ending, just as we must not pass over in silence--and we do not--what we have still not solved in practice and what has not come up to our expectations and plans. ACHIEVEMENTS ARE STARTING POINTS FOR OUR THINKING ABOUT THE PRESENT AND THE FUTURE AND FOR OUR EFFORTS TO FORMULATE TASKS FOR THE PRESENT AND THE FUTURE. WE RECALL THESE GREAT ACHIEVEMENTS NOT TO CONCEAL OUR PRESENT DIFFICULTIES, BUT TO CALL THEM AS OUR WITNESSES, SO TO SPEAK. THEY IRRESISTIBLY ATTEST TO OUR POTENTIAL, NATIONAL EFFICIENCY AND FORCEFUL ACTION.

Where would Poland--the Poland of 1980--be today were it not for the enormous development efforts in the seventies in which all of us participated--albeit to a different extent--all our people and our entire economy? Let us leave aside the generally known examples and statistics. Let us merely bear in mind that following a period of prosperity, since about half-way through the present decade we have had to cope with increasing difficulties, the results of which--not always easy to predict--are and will be varied and will make it necessary to multiply our efforts in order to maintain the position and the level of development we have already achieved and to effect necessary improvements in some sectors.

The eighth congress directives include the harmonization, balancing and streamlining of our economy, the gradual elimination of structural imbalances, the reconstruction of the system of planning and management and the system of motivation and the direction of the efforts of each sector of the economy, of each institution and of each worker toward effectiveness.

AS A COUNTRY AND AS A NATION WE MUST FOCUS OUR ATTENTION PRIMARILY ON EFFECTIVENESS, BECAUSE IT IS THE "KEY" TO OUR DEVELOPMENT UNDER THE PRESENT DIFFICULT AND COMPLICATED CONDITIONS. There is nothing else we can do to mitigate the difficulties of our daily life, to reduce tension in the economy, to remove the barriers to development and to create real conditions for improving the general situation and for meeting the acute and sometimes urgent social needs. On the whole everyone agrees that this is the problem. People readily acknowledge this difficult matter, but they do this most often only when it concerns other branches and sectors of the economy and industry and other people. IF, HOWEVER, THE ISSUE OF EFFECTIVENESS BECOMES A SPECIFIC PART OF, FOR EXAMPLE, A PROGRAM TO STREAMLINE THE ECONOMY OR OF A GOVERNMENT THRIFT PROGRAM CONCERNING EVERY ECONOMIC UNIT AND ALMOST EVERY WORKER, THEN SERIOUS COMPLICATIONS ENSUE.

This is because in such a case the issue of effectiveness acquires life, ceases to be a slogan, turns out to be quite a difficult directive to fulfill and probes the sources of every performance. In such a case it becomes obvious that putting the economy in order and promoting thrift require effective performance in every sector--from top to bottom--effective management of this performance, effective--that is, wise--decisions, and effective--that is, optimum--setting of goals consistent with resources and tasks.

Let us be even more specific. In the first half of the present decade we experienced an unprecedented supply of the basic elements of production: manpower, investments, production assets and imports. In the second half of the present decade the availability of these elements decreased annually and recently even from monthly. The population "explosion" has now been absorbed by plants and enterprises, and everywhere in the country appeals--often exaggerated--can be heard for more personnel. We cannot count on new investments because we must complete above all what we have begun and we must promote the sectors of production that determine either the functioning of the entire economy or living standards--sectors such as energy, transportation or hospital construction. Production assets can be supplemented only if this is necessary to multiply the effects of the existing potential. Because of current credit liabilities, our imports must be limited to what "makes the economy go" and to what is necessary for production and for the people. We have in mind imports of raw materials and supplies. In this connection we should bear in mind that almost half the total supplies for industry comes from the capitalist countries. We also have in mind grains and fodder, which to a great extent make the breeding of cattle and hogs possible.

Simplifying this entire complicated problem, we can say that the basic difference between the first and last year of the present decade is the changed conditions and, consequently, the changed methods by which the planned goals are achieved. If in the previous period effectiveness was an element that made it easier to achieve these goals, in the present period it is a decisive element and will be so in the coming decades. THIS IS WHY THE PROGRAM FOR PUTTING OUR ECONOMY IN ORDER AND THE THRIFT PROGRAM NOT ONLY CAN AND SHOULD BE IMPLEMENTED NO MATTER WHAT THE DIFFICULTIES, BUT MUST BE IMPLEMENTED NO MATTER WHAT THE DIFFICULTIES.

The overwhelming majority of the working people are fully aware of this, and the managing cadres and economic and political and economic aktivs know that this must be done. We are streamlining our economy in various spheres and at various levels. FOREIGN TRADE--OUR "CONTACT" WITH FOREIGN COUNTRIES--IS THE BASIC SPHERE. AN EQUALLY IMPORTANT TASK AND EVEN MORE DIFFICULT ONE IS THE STREAMLINING OF THE INTERIOR [WNETRZE] OF OUR ECONOMY, SO TO SPEAK: IMPROVEMENTS IN THE WAY THE ENTIRE SYSTEM FUNCTIONS AND IN THE PERFORMANCE OF ECONOMIC ORGANIZATIONS. An entire complex of issues is involved in this, beginning with "calming" the investment front and regulating the throbbing labor market through putting the price policy, norms and wages in order and correctly using the wage fund and working hours. Without solving these problems it is difficult to talk about the organizational conditions that make possible work and production at a normal rate--a rate that does not rack one's nerves--and about improvements in market supplies.

The process of streamlining is not a social process in the true sense of the term. It takes place within the living body of the economy and is supported--directly but to a varied extent--by hundreds of thousands of the 12 million workers of the socialized economy. THIS SCALE OF SUPPORT COMBINED WITH THE EXTENT OF THE DIFFICULTIES INVOLVED IN THE ENTIRE PROCESS ARE BOUND TO PRODUCE, AND ARE PRODUCING, TENSIONS, DISPUTES AND DISCUSSIONS THAT OFTEN EXCEED THE NARROW SECTORS DEFINED BY THE TASKS ASSIGNED TO A GIVEN JOB. Meaningful, calm and specific talks about the state of the economy and its problems, which can be solved, are always necessary, especially when efforts to implement an entire complex of difficult tasks are at stake.

However, such talks and discussions must not take place at the cost of work and must not upset the normal performance rate. After all, we want discussions that promote order and intensify advantageous changes and not difficulties. No matter how just one's reasons and arguments are, they must not be put forward during working hours. THERE IS TIME FOR WORK AND THERE IS TIME FOR DISCUSSIONS, SO THERE IS NO REASON WHY DISPUTES AND ARGUMENTS SHOULD LEAD TO DISRUPTIONS AND STOPPAGES OF WORK. We are writing about what under our political conditions seems obvious only because periodic work stoppages have occurred in the shops of some plants and enterprises.

Although this concerns incidents of limited extent and incidents resulting from various reasons, we must not regard the situation as normal anywhere this has occurred. This is a road to nowhere, a road that intensifies our difficulties and causes us economic and moral losses. In specific cases one can understand one's intentions, and it is necessary to analyze in depth--such analyses are already in progress--the complex of various subjective reasons--which are often most entangled--for work stoppages. HOWEVER, WE MUST REALIZE THAT THE SIGNIFICANCE OF SUCH INCIDENTS AND THEIR INTERNAL AND EXTERNAL CONSEQUENCES ARE UNEQUIVOCAL: THEY INCREASE ECONOMIC TENSIONS INSTEAD OF EASING THEM, PROLONG THE PERIOD OF STREAMLINING THE ECONOMY AND MAKE IT IMPOSSIBLE TO INCREASE EFFECTIVENESS. Given the present scale of our economic development, every disruption of the pace of production "produces"--regardless of reasons--production chaos in the cooperating plants and worsens the country's economic situation, which is not the best, after all.

This means that such disturbances are in no one's interest, be it the workers class or the nation. What is more, they are a blow to our interests because they detract from our common good and our common resources. After all, regardless of subjective arguments and conditions, every stoppage of machinery and every stoppage of production reduces the amount of material good and the size of the proverbial cake to be shared.

We do not want to condemn or preach at anyone. We want people to become aware of our common rights and our common interests, which may be overlooked in the atmosphere of tension and conflict-laden situations.

PEACEFUL, NORMAL PRODUCTIVE WORK IS OUR BASIC CHANCE OF OVERCOMING OUR DIFFICULTIES AND LEAVING OUR TROUBLES BEHIND. WE MUST MAKE COMMON EFFORTS TO ENSURE THAT NOTHING DISTURBS THE RHYTHM OF OUR WORK. WE MUST JOINTLY REFLECT ON THE STATE OF AFFAIRS. WE MUST BE ABLE TO APPRECIATE THE SERIOUSNESS OF THE SITUATION AND UNDERSTAND SOCIAL AND ECONOMIC REALITY.

Of the causes for stoppages in some plants one can single out the temporary causes and those that are more complicated and that have been evolving for a long time. This is no place and no time to analyze them. Let us just say that the causes we have in mind are the extension of sales at commercial prices, deteriorated supplies of raw materials, which has greatly affected wages in some plants recently; the process by which norms and working hours are put in order; the proportions of wages and of earning opportunities among various branches, plants and even shops; and acts of neglect on the part of plant or departmental administrations concerning broadly conceived working conditions and the evaluation of performance of the individual professional communities.

THE PROBLEM OF MEAT AND PROCESSED MEAT: The need for changes was dictated by the fact that demand for meat is much greater now than it was in the past and that we are unable--for reasons everyone knows--to fully meet it. Unfortunately, the extension of the assortment of meat at commercial prices has not been carried out without bureaucratic errors and organizational indolence.

THE PROBLEM OF SUPPLIES OF RAW AND OTHER MATERIALS, which is a very difficult problem and one that is different in various branches and even shops, requires separate treatment. The same can be said of the PROBLEM OF PUTTING NORMS AND WORKING HOURS IN ORDER. A general and overall treatment, which may be most correct and just from the social viewpoint, can in specific cases give rise to justifiable reservations and can hurt one's sense of justice. It is therefore necessary to repeat--not for the first time--that the putting of norms in order or the efforts to reduce overtime hours, which is a necessary part of the process of streamlining the economy, must be effected in consultations with plant workers and the brigades concerned and must be based on honest calculations and on the real state of affairs, which is so different from place to place. Norms and the "use" of them are the quintessence of the problem of social justice at a specific workplace.

The same can be said of wages. In the past 2 years planned adjustments [planowe regulacje] involving various professional groups have been introduced, but they have failed to improve the balance between the wages of, for example, the workers of the machine engineering industry and other workers. That is why planned adjustments have been foreseen this year for that group of workers. They have been accelerated, and it is important to ensure that this acceleration is used to achieve the necessary increases in production and effectiveness. [paragraph continues]

Most generally speaking, the task is to gear the wage system throughout the economy to efforts to put the economy in order and to promote management efficiency. Every additional zloty must be spent for a real purpose. It must not be given away for nothing. That is why, while solving various problems of plants--including the justifiable wage problems resulting from for example the deterioration of the supply of materials--it is necessary to carefully examine the situation and its implications and take the necessary action consistent with one's own potential and with additional resources provided centrally.

WHAT IS AT STAKE IS TO ENSURE ADDITIONAL PRODUCTION FOR THE MARKET AND EXPORT, TO PAY FOR THE INCREASED LABOR REQUIREMENTS OF THE PRODUCTS NEEDED BY THE MARKET, TO ECONOMIZE ON RAW AND OTHER MATERIALS AND TO IMPROVE THE QUALITY OF PRODUCTION. THIS MEANS THAT WHAT IS AT STAKE IS HIGHER PRODUCTIVITY AND BETTER PERFORMANCE.

This is because we can spend only what we produce by our own work and consume only what our hands have produced. MONEY THAT IS NOT MATCHED BY THE ADAQUATE AMOUNT OF GOODS MERELY HELPS TO "BOOST" INFLATION AND TO INCREASE PRICES AND TENSIONS IN THE MARKET. ECONOMIC DEMANDS THAT ARE UNREALISTIC UNDER THE PRESENT CONDITIONS AND ARE OUT OF PLACE IN THE SITUATION OF ECONOMIC STRESS LEAD MERELY TO SOCIAL DISORIENTATION AND FRUSTRATION. In the same way as every discussion and every action must observe the requirements of the rule of law and socialist democarcy, all proposals--no matter how subjectively justifiable and urgent--must observe the current limits of our economic potential and must take account of the state of our economy.

Further upsets of the balance between peoples' incomes and the availability of goods amounts to undermining the basic interests of each family, especially of the families in a difficult material situation. This is the economic law we must take into account whether we want to or not.

At the same time, we must carefully analyze the cost of living and the movement of prices and, when economic conditions allow, consistently compensate for the increases in the cost of living, especially in the case of those people whose material conditions are difficult. The relevant government program, which is worthy of social appreciation and which should be implemented in the first 6 months of 1981, was presented at the 9 July session of the party-economic aktivs in the PZPR Central Committee. The program provides for assistance for families with many children, for raises in pensions and annuities belonging to the so-called old scheme and for increases in the lowest wages.

As you can see it is necessary--during analyses and discussions that do not disturb the rhythm of normal work but, on the contrary, encourage that rhythm--to reconcile the needs and interests of the individual social and professional groups as well as communities, classes, regions and voivodships and to skillfully link current, temporary and long-term interests. It is a great task for the entire party, each party organization and each aktivist.

The task is not easy, but it is feasible in keeping with our needs and potential. It is an imperative of the present time. It involves social and production discipline and the harmonization of the efforts of the central, departmental, voivodship and plant authorities with the efforts of every plant crew and every worker. THAT IS WHY ALL OF US MUST STRIVE FOR THE MAXIMUM--UNDER THE GIVEN CONDITIONS--STANDARDS OF WORK ORGANIZATION, GUIDANCE AND MANAGEMENT AND FOR THE ELIMINATION OF THE RESTRICTIONS THAT ARE OFTEN PETTY BUT THAT GREATLY IRRITATE PEOPLE.

WE MUST STRIVE FOR THE ELIMINATION OF REGULATIONS AND DECREES THAT ARE OUT OF TOUCH WITH LIFE AND FOR THE ELIMINATION OF OUT-OF-TOUCH-WITH-LIFE BEHAVIOR OF THOSE WHO ARE IN CHARGE OF A GIVEN TEAM. WE MUST STRIVE FOR THE MAXIMUM CONCORDANCE BETWEEN WORDS AND DEEDS. This concerns great issues and small issues, but, as we know from experience, there are issues that appear small but that society regards as great. That is why we should regard them as great.

We need calm and order. People want order, but order depends on people. Every workless day in the current economic situation of the country and in the face of the natural disaster that has affected many regions, intensifies the existing difficulties and causes additional losses. That is why it is the duty of all patriots, party members and non-party people to profoundly think over the situation and to act in keeping with the best-conceived good of the motherland.

FRENCH PAPER REPORT ON INDUSTRIAL UNREST

LD211103 Paris L'HUMANITE in French 14 Jul 80 p 5

[Jacques Dimet dispatch: "'Workers Clubs' Organize Debates In Enterprises"]

[Text] Warsaw, 13 July--"Telling the country the truth" is a remark which is frequently heard in Poland at the moment. Telling the truth of course means mentioning economic problems, but it also means discussing continued progress. Although the cost of living index rose 27.2 percent from the end of 1975 to the end of 1979, wages rose by 33.4 percent in the same period. In the first half of the decade the cost of living had risen by 12.7 percent and wages by 56 percent. The population's living standards have, therefore, undoubtedly risen.

However, after the partial price increase of some types of meat, more sporadic movements took place at the end of last week in some enterprises (three in Warsaw). Some workshops stopped work, but there were no generalized strikes. The idea that the prices of some products must be raised is generally accepted. The anxiety felt in some factories relates to the application of new production norms and the extent of the increases in low wages.

What happened at Huta-Warszawa last week? This iron and steel enterprise employs 9,500 workers. Some 30 percent of them are party members. It would therefore be wrong to talk of a break with the workers' movement.... Following the increase, discussions took place, particularly among maintenance workers and during shift changeovers. The main criticism was about lack of information.

A large majority of the workers approved the price increases in principle. The Huta-Warszawa workers had already opposed the strikes which took place at Ursus and Radom in 1976. They opposed the sugar price increase but proposed an increase in bread prices, since they did not consider the price in keeping with the economic situation.

Last year wages were raised by an average of Z900 per month. Nobody has asked for additional increases. Nonetheless, although the iron and steel workers agree with the need to adjust meat prices, they urged that there should be better dissemination of information.

However, Josef Pacult, party committee first secretary, told us: "This discussion during shift changeovers is not a new phenomenon. It is common practice."

The workers' self-management organizations also play their role. The self-management conference is formed from the party leadership, the trade unions, young people and 50 workers elected on the shop floor. The 50 workers form what is called a "workers club" which, before each conference meeting, makes proposals even if the subjects raised have nothing to do with the agenda. These workers are not permanent representatives and have no privileges. The smooth running of this structure (elections take place each year) facilitates constant cooperation between workers and management. "Here we do not wait for discussion to arise; we encourage it. The party members take the discussion to the shop floor."

It is the fact that this party is alive and deeply rooted among the workers that visibly annoys some Western observers.

This year the plan has been successful at Huta-Warszawa. By the end of the year production will have risen by around 5 percent. "We have had no problems here," Josef Pacult said, "because we have been explaining since 1976 that prices must be readjusted. The party members hold constant discussions; these are all effective forms of socialist democracy."

EFFORTS TO COMBAT RAIN, FLOOD DAMAGE REPORTED

Situation Report

LD181944 Warsaw Domestic Service in Polish 1700 GMT 18 Jul 80

[Summary] The central antiflood committee reports that more than 1,000 employees of Polish National Insurance are estimating flood damage.

The situation is under control in Krosno Voivodship. The flood alarm has been cancelled in several parishes in the south of Rzeszow Voivodship. In Leszno Voivodship, there is still a great deal of trouble in Koscian Parish. The flood alarm was called off today in Wroclaw Voivodship. The situation has also improved in Konin, Bydgoszcz and Wloclawek voivodships.

Draining Work Underway

LD192058 Warsaw PAP in English 2000 GMT 19 Jul 80

[Text] Warsaw, 19 Jul, PAP--The area of the inundated arable lands has already decreased by over 300,000 hectares. This has happened due to more favourable weather conditions in the past few days, water level subsiding in the majority of Polish rivers and thanks to vigorous steps taken by various technical services.

The flood alert has been called off on the areas threatened by disaster in the Rzeszow, Kalisz, Konin and the Wroclaw voivodships.

Now, the flood waters continue to cover over 900,000 hectares. Therefore, intensive works consisting in draining agricultural areas, pumping water out of the inundated buildings and repairing roads are being conducted chiefly in these territories.

Harvesting Begins

LD212215 Warsaw Domestic Service in Polish 1700 GMT 21 Jul 80

[Summary] Repeated rains continue to hamper the ripening of cereals and rape. Nevertheless, harvesting of spring barley has started in the Gorzow Wielkopolski, Opole, Szczecin, Wroclaw and Zielona Gora voivodships.

FURTHER REPORTAGE ON VISIT OF BULGARIAN PREMIER TODOROV

Toasts Exchanged

AU171620 Warsaw TRYBUNA LUDU in Polish 15 Jul 80 p 7

[Exchange of toasts between Polish Premier Edward Babiuch and Bulgarian Premier Stanko Todorov at the 14 July Warsaw dinner in honor of the latter]

[Text] E. Babiuch: Once again I wish to express my profound satisfaction that I am able to meet you here and have talks on issues of mutual interest.

Poland highly values the favorable development of relations of friendship and cooperation with fraternal Bulgaria. These relations are based on the community of ideology, the unity of aims, the fraternal cooperation between the PZPR and the BCP and on our two states' close alliance with the Soviet Union and other socialist community states.

Polish-Bulgarian friendship has old traditions as demonstrated by solidarity in the struggles for national liberation and by cooperation between Polish and Bulgarian revolutionaries.

Polish-Bulgarian relations now rest on strong foundations and have developed with a particular dynamic in the past 10 years. The meetings between Comrades Edward Gierek and Todor Zhivkov, the leaders of our parties and peoples, are of fundamental importance for the development of those relations.

The results produced by our economic and scientific-technical cooperation and by our trade are consistent with the development and needs of our two states.

The achievements of socialist construction in Poland and Bulgaria enable us to raise our cooperation to an even higher level. Implementation of socioeconomic development programs adopted by the Eighth PZPR Congress and the 11th BCP Congress is creating good prospects for the future. At the same time, it indicates that it is necessary to intensify the socialist devision of labor and to further develop production cooperation and specialization.

We took these preconditions into consideration when working out a draft document on coordination of our economic plans for 1981-85. The document will be signed tomorrow.

The document's assumptions are consistent with the actual economic potentials and needs of our two countries and create conditions for the further development of our trade and for other forms of Polish-Bulgarian cooperation.

I wish to express the conviction that implementation of our joint program for economic cooperation will be useful in achieving the aims of our two countries' socioeconomic development as outlined by our parties up to the mid-eighties.

Our favorable cultural cooperation and cooperation in science, education and mass media occupy an important place in our relations. The contacts between social organizations and between our fraternal capitals and regions as well as large-scale tourism also help bring our communities closer together and get to know each other better.

Poland and Bulgaria share in the common struggle to consolidate peace and detente. The unity, fraternal friendship and cooperation with the Soviet Union and with other socialist community states are the basis of our foreign policy.

It is with great anxiety and concern as well as attention that we are watching the present imperialist efforts to check the process of detente, to undermine the balance of power and to create new tensions and conflicts.

In particular, we are disturbed by the NATO states' familiar proposals of last December aimed at escalating armament in the form of medium-range nuclear missiles and by the propaganda campaign in this connection aimed at undermining the process of detente in international relations.

Our peaceful foreign policy is consistent as attested to by the recent debates and resolutions in the Sejm.

We have always held the view that all disputed problems should be solved through negotiations and political dialogue. We are ready to develop cooperation and to have talks with all the countries and political and social forces that are for peace, detente and disarmament.

This is attested to by the fact that Comrade Edward Gierek proposed at the Eighth PZPR Congress that a conference on military detente and disarmament in Europe should be convened in Warsaw.

We believe that in the present situation the achievement of some tangible progress in military detente between East and West, the elimination of hotbeds of tension in the world and the strengthening of mutual trust and security would be of fundamental significance.

Important documents such as the declaration and statement adopted by the Warsaw Pact Political Consultative Committee in Warsaw last May help to achieve this goal. That declaration and statement reverberated throughout the world. The leaders of our community's countries expressed their common will to make every effort to continue such a policy. The recent Soviet proposals for talks to limit medium-range nuclear missiles in Europe also serve that goal.

Poland, which was so severely tried during World War II and which is guided by the unshakable resolve to strengthen peace in Europe, will continue its efforts to ensure positive results at the Madrid meeting of the CSCE states. We hope that the meeting will produce agreement on a conference on military detente and disarmament in Europe.

We believe that it is possible and necessary for Europe to contribute to strengthening world security by transforming itself into a region of lasting detente and cooperation among states with different socio-economic systems.

In this connection the Warsaw meeting between CPSU General Secretary Leonid Brezhnev and French President Valery Giscard d'Estaing, which was attended by PZPR First Secretary Edward Gierek, was a political event of great importance for world peace and detente.

The Polish people highly value Bulgaria's achievements in socialist construction.

Dear comrades, please accept our heartfelt congratulations on your achievements and our wishes for further successes in implementing your ambitious plans.

Socialist Bulgaria makes an important contribution to the common cause of strengthening the unity of the socialist community states and to the struggle for peace and for cooperation among nations. It is a lasting basis for our two states' close cooperation in the international arena.

I am convinced that your visit and the agreements we will make will be of good service in further tightening the friendship and cooperation between our states and peoples.

S. Todorov: Comrade Babiuch, in the name of my comrades and in my own name I cordially thank you for your invitation to visit beautiful Poland. I have visited your country several times before and each time I have seen something to arouse my admiration--whether it was your achievements or the expressions of friendship between our peoples. An old slaying states: "Show me your friends and I will tell you who you are." We are pleased that for centuries--and especially now--we have been and are friends with the daughters and sons of the proud and industrious Polish people. Even in the first hours of our sojourn in Poland we knew that our feelings were reciprocated.

As ever we have come here as comrades to comrades. I am convinced that our talks will result in new achievements in our comprehensive cooperation. We have every reason to be sure of this: The tested Polish-Bulgarian friendship, our loyalty to Marxism-Leninism, our fraternal friendship with the Soviet Union and the socialist community countries and our common communist aims and ideals.

The meetings and talks between Comrades Todor Zhivkov and Edward Gierek, the leaders of our parties and states, are of particular importance for Bulgarian-Polish comprehensive relations. These meetings create new incentives for and outline cooperation in the sectors of life that are of decisive importance for our countries. Our achievements to date entitle us to be optimistic about the future.

I am pleased to stress that our economic and scientific-technical cooperation is developing dynamically. During each of the past three 5-year plan periods we doubled our trade. We are making structural changes in our trade by increasing the share of engineering products. The share of production under specialization and cooperation schemes is increasing and now accounts for about 25 percent of our trade. That means that we have achieved a great deal; nevertheless it is necessary to search for new opportunities and solutions, especially in production specialization and cooperation. The agreements we already signed and those under preparation guarantee that we follow the road to integration of our countries' economies. Such cooperation helps implement our new main task--to increase the effectiveness and quality of management. This is also a contribution to the comprehensive program for the socialist economic integration of the CEMA countries.

As loyal friends of the Polish people, Bulgaria's working people are sincerely pleased with your achievements in constructing a socialist Poland. Together with you we are proud that your country is among the most developed industrial states of the world and that Polish cultural achievements are enormous and enviable and that the world acknowledges them.

Bulgaria's communists and working people welcomed with interest the Eighth PZPR Congress, which was held in an atmosphere of objectivity, creativeness, exacting efforts and integrity and which approved the program for comprehensive economic, social and cultural development. We are convinced that the Polish people will translate the party directives into imposing achievements.

The Bulgarian people are also dedicated to creative work. Under the leadership of our communist party we are waging a peaceful struggle to implement the task of the Seventh 5-Year Plan. Our attention is focused on increasing production effectiveness and promoting comprehensive social development based on the accelerated practical use of scientific and technical achievements. Our working people are preparing to worthily welcome the 12th BCP Congress.

Very soon we will be celebrating the 1,300th anniversary of the Bulgarian state. Our people are most dedicated in their efforts to achieve new progress in history. They are building a developed socialist society.

It is obvious that Poland and Bulgaria are faced with difficulties and problems. But who is not beset by them in the world today?

We are overcoming and solving those problems with optimism, ambitious efforts and resolve. We rely on the efforts and conviction of our peoples that only socialism can offer our nations and working peoples the right road to the future.

The Warsaw Pact Political Consultative Committee held a meeting in Warsaw 2 months ago. The meeting comprehensively evaluated the international situation and its documents outlined new peaceful initiatives that aroused the interest of all those who value peace and security of nations.

In the past few years the nations of Europe have achieved a great deal. We must do all we can to see that nothing of those achievements is lost. Following the road of defusing international tension is a historical imperative. We are truly and profoundly concerned because of the threats to world peace. Our concern has been caused by the invigoration of the policy of confrontation and hegemonism followed by the imperialist and reactionary forces in the United States and the NATO countries. Their decision to produce and deploy in Europe new American medium-range nuclear missiles constitutes a direct danger. This can violently worsen the situation in Europe and result in a new phase of the arms race.

The idea to convene a conference on military detente and disarmament in Europe is of particular significance among the other important initiatives to defuse international tension that have recently been put forward by the Soviet Union and the socialist countries. The Bulgarian Government supports Poland's proposal that such a conference should be held in heroic Warsaw, which was so badly ruined at one time but is now rebuilt again. Warsaw as the site of the conference represents to us a profound symbol: From the city that has given its name to the Warsaw Pact the socialist countries stretch their peaceful arms to hinder an outbreak of a war conflagration. We counter the unbalanced ideas and actions that promote new tensions and the danger of a nuclear catastrophe with a policy of realism, commonsense and peaceful coexistence in Europe and the world.

As a country in the center of the Balkans, the People's Republic of Bulgaria attaches exceptional importance to relations with its neighbors. In our policy we follow long term goals that all nations need the preservation and strengthening of neighborly relations, friendship, cooperation and understanding.

With all my heart I thank you for the warm reception you have prepared for me and my comrades. I trust that our meeting and our decisions will help deepen the friendship and cooperation between our fraternal countries and peoples.

Joint Communique

AU181010 Warsaw TRYBUNA LUDU in Polish 16 Jul 80 p 7

[Joint communique on the 14-15 July friendly working visit to Poland by Stanko Todorov, chairman of the Council of Ministers of the People's Republic of Bulgaria, issued in Warsaw]

[Text] Stanko Todorov, chairman of the Council of Ministers of the People's Republic of Bulgaria, paid a friendly working visit to Poland 14-15 July 1980 at the invitation of Edward Babiuch, chairman of the Council of Ministers of the Polish People's Republic.

Stanko Todorov was received by PZPR First Secretary Edward Gierek, with whom he had a friendly talk.

He also toured the M. Nowotko mechanical plant in Warsaw.

Premiers E. Babiuch and S. Todorov held talks, which were attended on the Polish side by Todorov Wrzaszczyk, vice premier and chairman of the Planning Commission, and by Vice Premier Kazimierz Barcikowski; and on the Bulgarian side by Kiril Zarev, vice premier and chairman of the State Planning Committee; and by ministers and vice ministers of a number of departments of the two countries.

During the talks the sides exchanged information on the implementation of the resolutions of the Eighth PZPR Congress and the 11th BCP Congress and on the key problems of socialist construction in Poland and Bulgaria.

The sides extensively evaluated all aspects of the favorably developing Polish-Bulgarian relations, especially the prospects for the further development of economic and scientific-technical cooperation. They also exchanged views on current issues of the international situation.

The Polish-Bulgarian fraternal friendship and comprehensive cooperation continue to develop and deepen continuously on the principles of Marxism-Leninism and socialist internationalism in the interests of the two states and peoples.

The close cooperation of the PZPR and the BCP is a permanent foundation of this as attested to by the practical implementation of the decisions adopted by comrades Edward Gierek and Stanko Todorov, leaders of the two peoples.

During their talks the two premiers focused their attention on the current problems of Polish-Bulgarian economic and scientific-technical cooperation in 1981-85. They stressed the important role played in the development of mutual economic relations by the Polish-Bulgarian Committee for Economic Cooperation, by close cooperation between the central planning bodies and by cooperation between departments concerned.

The two premiers positively evaluated the development of Polish-Bulgarian economic cooperation. The tasks of the 1976-80 trade agreement will be implemented, and Polish-Bulgarian trade will have amounted to over R2.2 billion within that time. The tasks listed in the document "Main Lines of Polish-Bulgarian Economic and Scientific-Technical Cooperation After 1980," which was adopted by first secretaries E. Gierek and S. Todorov when they met in February 1979, are also being successfully implemented. Cooperation between planning bodies, electroengineering, chemical, metallurgical, light, food, agricultural and construction industries as well as tourist organizations and scientific research units in Poland and Bulgaria is developing on the basis on that document.

The sides noted with satisfaction that it is possible to further develop their mutual trade and cooperation in the coming 5-year period. The coordination of the plans for Poland's and Bulgaria's socioeconomic development in 1981-85 provides the necessary basis for that.

Compared with the present 5-year period, Polish-Bulgarian trade will increase about 27 percent in the coming 5-year period.

Cooperation and trade in the electroengineering industry will develop most dynamically. The share of this industry in Polish-Bulgarian overall trade will amount to about 70 percent in 1981-85.

Among other things Poland will supply Bulgaria with a number of complete plants, including plants for the metallurgical, lumber-paper and chemical industries, and with shipping, aviation, radioelectric, construction and road-building, and motor equipment.

Among other things Bulgaria will supply Poland with transportation equipment for use inside plants, large-scale storage facilities, electronic computers, electronic equipment, high-voltage electrotechnical equipment, ships, and machinery and installations for agriculture and the food industry.

Most of these supplies will be delivered in keeping with agreements and accords on production cooperation and specialization.

Increased Polish-Bulgarian economic cooperation in production and in mutual deliveries of farm, food and staple industrial goods will help better meet the needs of the two countries' populations.

Tourist exchanges, which are useful in bringing the Polish and Bulgarian peoples closer together and in strengthening their friendship, will also be increased.

The implementation of the planned tasks will promote further integration of the Polish and Bulgarian economies and will contribute to the development of the socialist economic integration of the CEMA countries.

In the presence of the Polish and Bulgarian premiers, Tadeusz Wrzaszczyk and Kiril Zarev, chairmen of the planning commissions of their respective countries, signed a protocol on the results of the coordination of the plans for Poland's and Bulgaria's socioeconomic development in 1981-85.

The two premiers positively appraised the development of Polish-Bulgarian cooperation in culture, science and mass media, especially in the past few years.

When reviewing the problems of the international situation, the two premiers again reaffirmed their two states' firm resolve to closely cooperate in alliance with the Soviet Union and other socialist states to strengthen the unity and the international position of the socialist community.

Poland and Bulgaria again voices their concern for the tension existing in Europe and the world, tension which results from the imperialist and hegemonist policy of force and confrontation.

They drew attention to the dangerous situation created by NATO's decision last December to undermine the balance of power on the continent of Europe and to weaken the foundations of coexistence among countries with different sociopolitical systems.

Poland and Bulgaria firmly declare themselves for the continuation of the process of detente and will continue their efforts to curb and halt the arms race and to reduce the extent of military confrontation in Europe.

Poland and Bulgaria attach great importance to implementing the proposals, presented by the declaration and statement of the 15 May Warsaw session of the Warsaw Pact Political Consultative Committee, on correcting the complicated international situation, promoting military detente in Europe and strengthening international security. These proposals constitute yet another expression of the profound concern of the socialist states for the world's peaceful future.

In this connection the two sides also stressed the great importance of the recent proposals put forward by Comrade Leonid Brezhnev, CPSU general secretary and chairman of the Supreme Soviet Presidium, on negotiations to limit medium-range nuclear missiles.

The two premiers stressed the particular topicality of the proposal submitted by PZPR First Secretary Edward Gierek at the Eighth PZPR Congress with regard to holding in Warsaw of a conference on military detente and disarmament in Europe. The proposal has met with a positive reaction in many countries. The premiers stressed the resolve of their two states to continue efforts to have such a conference convened. They also stressed the great importance of the recent proposals put forward by the socialist states during the Vienna negotiations on mutual reductions in armed forces and armament in central Europe.

The two premiers expressed the conviction that, given a constructive approach of all participants, the Madrid meeting may make an important contribution to the continuation and deepening of the process of detente and to the development of equal cooperation in the interest of all European states and nations.

Bulgaria highly values Poland's active and peaceful policy and important, constructive contribution to the strengthening of peace, detente and international cooperation in Europe and the world.

Poland highly values Bulgaria's active and peaceful policy and important constructive contribution to the strengthening of trust, mutual understanding and neighborly cooperation in the Balkans.

The talks took place in a cordial and friendly atmosphere and confirmed total identity of views on issues under discussion.

Stanko Todorov, chairman of the Council of Ministers of the People's Republic of Bulgaria, invited Edward Babiuch, chairman of the Council of Ministers of the Polish People's Republic, to pay a friendly visit to Bulgaria.

The invitation was accepted with pleasure.

FOREIGN MINISTER ADDRESSES DINNER IN THE HAGUE 14 JULY

AU181210 Warsaw TRYBUNA LUDU in Polish 17 Jul 80 p 7

[Report on speech by Foreign Minister Emil Wojtaszek at dinner in The Hague given in his honor by Netherlands Foreign Minister Christoph van der Klaauw on 14 July]

[Text] To begin with, Minister Wojtaszek expressed his pleasure at being able to continue the talks initiated last fall during the official visit to Poland by Prime Minister Van Agt and Minister Van der Klaauw.

The ties of our nations and countries, he said, have long-standing and rich traditions going back to the Middle Ages. We are among those European nations who have never fought each other and who share the same painful trials of history.

During World War II our cities--Warsaw, Gdansk, Rottersdam and so on--shared the same tragic fate.

Last month a Netherlands pavilion was opened on the site of the Oswiecim-Brzezinka Hitlerite death camp, which was the saddest symbol of the struggle and martyrdom of European nations. Faithful to the old principle "for your freedom and ours," our soldiers shed their blood on all battlefields, including in the battles to liberate the Netherlands.

Many years have passed since then and much has been changed in Europe and the world. Poland has undergone profound sociopolitical changes. Maintaining peace and detente on our continent is the basic condition for our development and all European nations. That is why we are especially concerned about the decisions and measures leading to the escalation of the arms race and attempts to shift tensions from one region to another, including Europe.

Minister Wojtaszek recalled Edward Gierek's proposal that Warsaw be the site of a conference on military detente and disarmament in Europe. It is our wish, he said, that the Madrid meeting of the CSCE signatories adopts decisions on convening that conference, which is so important for Europe, or on paving the way for it in the near future.

We believe that the recent proposals put forward by Leonid Brezhnev, chairman of the Supreme Soviet Presidium, are of great importance for overcoming the stalemate that, as a result of NATO's familiar decisions of last December, has arisen endangering any solution to Europe's important problem of preventing the escalation of the arms race, particularly of medium-range nuclear missiles.

Faithful to the traditions of our peaceful foreign policy, we are doing all we can to maintain the dialogue and the climate of detente between East and West.

Great powers have a great role to play in this regard, of course, but all states have to bear responsibility. I believe that Poland and the Netherlands can to a great extent help improve the atmosphere and to solve the existing problems. One way to do this is to correctly develop our bilateral relations. We have positive achievements and still greater prospects in this regard.

Speaking of prospects, I have in mind especially the extensive possibilities for boosting trade, economic and scientific-technical cooperation, industrial collaboration and all those fields of cooperation in which our achievements are already considerable. We are also for promoting contacts between our nations.

JOINT COMMUNIQUE ON VISIT BY TURKISH FOREIGN MINISTER

AU211400 Bucharest SCINTEIA in Romanian 19 Jul 80 p 7

[Joint communique on Turkish Foreign Minister Hayrettin Erkmen's 15-18 July official visit to Romania signed in Bucharest on 18 July]

[Text] At the invitation of the Stefan Andrei, minister of foreign affairs of the Socialist Republic of Romania, Hayrettin Erkmen, minister of foreign affairs of the Republic of Turkey paid an official visit to the Socialist Republic of Romania 15-18 July 1980.

Comrade Nicolae Ceausescu, president of the Socialist Republic of Romania received Turkish Foreign Minister Hayrettin Erkmen and had a long discussion with him. The meeting between the Turkish foreign minister and the Romanian head of state constituted the culminating point of the visit. On that occasion, the two sides highlighted the two countries' determination to expand and deepen the traditional bilateral relations of good neighborliness, cooperation and friendship, and to cooperate at a bilateral and multilateral level to promote understanding and cooperation in the Balkans, to resume the trend toward detente, to secure peace, security and cooperation in Europe and throughout the world.

The two foreign ministers had official talks, which proceeded in an atmosphere of cordiality, mutual respect and understanding, characteristic of the relations between Romania and Turkey.

During his stay in Romania, the Turkish foreign affairs minister toured economic and social-cultural establishments in Bucharest and on the Romanian coast of the Black Sea.

The two ministers examined in detail the current stage and development prospects of the bilateral relations, and exchanged views on major, topical international affairs.

The two ministers noted with satisfaction the development recorded in Romanian-Turkish relations in recent years, in the spirit of the joint solemn declaration signed at summit level on 29 August 1975.

Along this line, the two ministers stressed the special importance of meetings at high levels for expanding and deepening the political, economic, scientific-technical and other relations between Romania and Turkey.

Upon emphasizing these positive results, the two ministers expressed their governments' desire and determination to further develop Romanian-Turkish relations in all areas, relations firmly based on respect for the principle of national independence and sovereignty, full equality of rights, noninterference in internal affairs, mutual respect and advantage, and good neighborliness.

In this spirit, they stressed the importance and usefulness of contacts and exchanges of views between representatives of the Governments of the Socialist Republic of Romania and of the Republic of Turkey.

The two sides pointed out with satisfaction the progress made in bilateral commercial relations. They expressed the desire to increase, expand, diversify and balance these relations to their mutual advantage. They recommended additional efforts to implement pertinent joint measures.

Upon examining the current stage of Romanian-Turkish economic relations, the sides noted that the ventures and targets agreed upon are materializing satisfactorily, thus contributing to the two countries' development. They expressed the determination to expand the Romanian-Turkish cooperation in the areas of industry, oil and petrochemical industry, agriculture, tourism and other fields, with a view to fully capitalizing on the conditions made available by their economic development and goegraphical proximity. Along this line they mentioned in particular the importance of the joint construction of a refinery in central Anatolia.

Among other things, the two ministers stressed the importance of cooperation in the area of transportation, and especially of the establishment of specialized maritime transport lines between their Black Sea ports.

The two ministers emphasized the importance of periodical sessions of the joint Romanian-Turkish economic commission, and of the implementation of its decisions for promoting and expanding bilateral cooperation, and agreed on the need to accelerate work on various cooperation projects of mutual interest. Thus, the two sides mentioned their interest in the forthcoming session of this joint commission, scheduled to take place in Ankara.

The two sides also examined possibilities for developing scientific and technical cooperation, and cooperation in other fields and for continuously expanding it.

They reviewed the fruitful development of exchanges in the areas of education, science and culture. They stressed tne contribution made by such exchanges to deepening mutual understanding and friendship between their countries.

The sides agreed that all conditions are present for expanding and deepening the Romanian-Turkish cooperation in areas of mutual interest, thus promoting the development of the two neighborly and friendly countries, and the cause of peace, security and cooperation in the Balkans, in Europe and throughout the world.

During their detailed exchange of views on topical international questions, the two ministers noted with satisfaction that their views largely coincide.

The two ministers expressed anxiety about the deterioration of the international situation, and agreed that firm measures should be taken and efforts made to halt this deterioration, to improve the international climate, and to continue the policy of peace, independence, security, detente and cooperation.

The sides dwelled particularly on the situation in Europe. On the eve of the fifth anniversary of the signing of the Helsinki Final Act by heads of state and government, the two sides stated that measures must be taken to implement all the principles and provisions included in that document as a unitary whole. Thus, they stressed the importance of thoroughly preparing for the Madrid meeting and of creating conditions to hold it in a constructive atmosphere and to secure its success, so that it can provide a fresh and forceful impetus to promote detente, security and cooperation in Europe and in the world.

Along this line, they stressed the importance of the Madrid discussions on various proposals aimed at achieving disarmament and trust on the continent.

The two sides devoted special attention to the situation in the Balkans and to the establishment of a climate of understanding, good neighborliness and cooperation among the Balkan countries. [paragraph continues]

They stressed that bolstering peace and security and developing cooperation in the area can make an important contribution to detente in Europe and throughout the world. Thus, they advocated new initiatives apt to promote cooperation and to develop relations of good neighborliness among the Balkan countries.

They also reaffirmed that the development of both bilateral and multilateral cooperation on specific projects is of interest to all the countries in the area. In this connection they mentioned the meeting of Balkan experts in communications and telecommunications, held in Ankara 26-29 November 1979, as a case in point of such cooperation to the mutual advantage of all the Balkan countries.

The two sides stressed that detente is not limited to relations between certain states, or only to certain areas. They reasserted their determination to make every necessary effort to contribute to promoting cooperation and detente in Europe and in the world.

Aware of the threat posed by both the conventional and the nuclear arms race, as by any other armaments, the two sides spoke out for general disarmament, under efficient international control and calculated to preserve the security of all the states. In view of that threat and of the negative economic effects of the arms race on the developing and other countries of the world, the sides expressed their determination to make a constructive contribution to debates designed to halt the arms race and proceed to disarmament.

The sides expressed the view that a balance should be achieved not by increasing armaments, but by continuously cutting them back.

On the basis of an analysis of the current international situation, the two foreign ministers reasserted the urgent need for all disputes between states, all international conflicts and differences to be settled exclusively through political means, through negotiations, strictly without the use of force.

The two ministers firmly stressed that at our time it is urgently necessary to base the relations between all the states on the principles of full equality of rights, respect for national independence and sovereignty, noninterference in internal affairs, mutual advantage and nonrecourse to force, principles which must be generally observed in international life.

As for the recent events in Southeast Asia, the two ministers emphasized the importance they attach to peace and stability in that area. They stressed that all possible means must be seized to devise without delay a just and lasting political solution to the problem of Afghanistan.

The two ministers expressed their conviction that a general settlement is required to justly and lastingly solve the Middle East problem, a settlement envisaging the withdrawal of the Israeli troops from all the Arab territories occupied in 1967, recognition for the legitimate rights of the Arab Palestinian people, including their right to self-determination and to establish their own state, and guarantees for the independence, sovereignty and integrity of all the states in the area. They recommended that all the interested sides participate in the settlement process including the PLO, the only legitimate representative of the Arab Palestinian people.

The two ministers advocated a peaceful, just and lasting solution of the Cypriot problem, accounting for the rights and legitimate interests of the Turkish-Cypriot and the Greek-Cypriot communities, and based on the independence, territorial integrity, sovereignty and nonalignment of the republic of Cyprus. They expressed support for the resumption of negotiations between the Turkish and Greek Cypriot communities designed to work out solutions acceptable to both.

The two sides stressed the need to intensify efforts to eliminate underdevelopment, abolish the economic gaps among states and restructure the international economic relations on a just and equitable basis. Highlighting the importance of the forthcoming UN General Assembly session this summer on the new world economic order, they expressed the hope that this session and its results will contribute to promoting international economic cooperation and to securing support for the developing countries in their efforts to accelerate their economic development.

The two sides expressed their determination to support the developing countries' efforts to consolidate their national sovereignty, economic independence and development, and for their struggle to abolish colonialism, apartheid and racial discrimination in all their forms. They hailed with sympathy the independence of the state of Zimbabwe.

The two sides spoke out for strengthening the UN role in solving mankind's major problems, safeguarding peace and achieving security in the world, since the United Nations provides the best framework within which all the states can actively participate in settling these problems. Thus, they agreed to intensify their bilateral cooperation at the United Nations.

The two ministers emphasized their common conviction that the reception of the Turkish Foreign Minister Hayrettin Erkmen by President of the Socialist Republic of Romania Comrade Nicolae Ceausescu, the former's official visit to Romania and the talks held made an important contribution to developing the relations of friendship, good neighborliness and cooperation between the two countries, and to strengthening peace, understanding and cooperation in the Balkans, in Europe and throughout the world.

The foreign minister of the Republic of Turkey, Hayrettin Erkmen, invited the foreign minister of the Socialist Republic of Romania to pay an official visit to Turkey, at a date that will be set later. The invitation was accepted with pleasure.

CEAUSESCU RECEIVES PALESTINIAN NATIONAL COUNCIL CHAIRMAN

AU211415 Bucharest Domestic Service in Romanian 1300 GMT 21 Jul 80

[Text] Comrade Nicolae Ceausescu, party secretary general and president of the Republic today received Khalid al-Fahum, chairman of the Palestinian National Council [PNC] who is visiting our country. The guest was accompanied by 'Abd al-Muhsin Abu Mayzar and Saliah Nazif, members of the PLO Executive Committee and of the PNC. The reception was attended by Comrade Stefan Andrei, candidate member of the Political Executive Committee of the RCP Central Committee and minister of foreign affairs, and Khalid ash-Shayikh, PLO permanent representative to our country.

The PNC chairman conveyed to President Nicolae Ceausescu cordial greetings from PLO Executive Committee Chairman Yasir 'Arafat, and expressed gratitude to the RCP, to its secretary general and to socialist Romania for their political, diplomatic, material and moral support for the Palestinian people's struggle, and for their constructive contribution to achieving a just and lasting peace in the Middle East.

Expressing thanks, President Nicolae Ceausescu conveyed warm, friendly greetings and best wishes to Chairman Yasir 'Arafat in fulfilling the Palestinian people's aspirations for freedom, independence and social progress.

During their meeting, the sides emphasized with satisfaction the good relations of friendship, solidarity and active cooperation between the RCP and the PLO, between the Romanian and Palestinian peoples. At the same time, they expressed the common desire to continuously expand and deepen these relations, in the interests of the two peoples, of the just cause of the Palestinian people, of peace and understanding among nations, and of cooperation and progress in the world.

The RCP secretary and the PNC chairman also discussed certain aspects of the current international situation, especially recent developments in the Middle East and the ways of attaining a just and lasting peace in that area. In connection with the ways and means of achieving a just and lasting peace in the Middle East, the Romanian head of state reasserted Romania's position, stressing that our country is firmly in favor of a general, political settlement of the conflict, based on Isreal's withdrawal from the territories occupied in the 1967 war, and on solving the Arab Palestinian people's problem in accordance with their right to self-determination and to establishing their own independent state, and on securing the independence and integrity of all the states in the area. Thus, both sides stressed that new initiatives are required to promote a general political solution in the area, permitting the establishment of a just and lasting peace in the Middle East, in accordance with the interests of all the peoples in the area, and of international peace and security.

The meeting proceeded in an atmosphere of warm cordiality and friendship.

CEAUSESCU CONGRATULATES IRAQI PRESIDENT ON NATIONAL ANNIVERSARY

AU211657 Bucharest SCINTEIA in Romanian 17 Jul 80 p 4

[Congratulatory message from President Nicolae Ceausescu to Iraqi President Saddam Husayn on national anniversary]

[Text] To his Excellency Mr Saddam Husayn, secretary general of the Arab Socialist Ba'th Party and president of the Republic of Iraq:

On the occasion of the 12th anniversary of the Iraqi revolution of 17 July, on behalf of the Romanian people and on my own behalf I want to convey to you warmest congratulations and best wishes for personal health and happiness, and for progress, peace and prosperity to the friendly Iraqi people.

I am convinced that the relations between our parties, countries and peoples will continuously expand and diversify, at both the bilateral and international level, in the interests and for the benefit of the Romanian and Iraqi peoples, of the cause of peace, independent development, detente, progress, understanding and cooperation in the world.

[Signed] Nicolae Ceausescu, RCP secretary general and president of the Socialist Republic of Romania

CEAUSESCU CONGRATULATES COLOMBIAN PRESIDENT ON NATIONAL DAY

AU211733 Bucharest SCINTEIA in Romanian 20 Jul 80 p 5

[Message from President Nicolae Ceausescu to Colombian President Julio Cesar Turbay Ayala on Colombia's National Day]

[Text] To His Excellency Mr Julio Cesar Turbay Ayala, president of the Republic of Colombia, Bogota:

On the national day of the Republic of Colombia, I have the particular pleasure of extending to you warmest congratulations and wishes for personal health and happiness, on behalf of the Romanian people and myself personally, as well as wishes for continuous progress and well-being to the friendly Colombian people.

I would like to take this opportunity to express the conviction that the good relations of friendship and cooperation established between Romania and Colombia and their fruitful cooperation at the international level will continue to develop in all fields of mutual interest, to the benefit of the Romanian and Colombian peoples and in the interest of the cause of peace, detente and cooperation between all states.

[Signed] Nicolae Ceausescu, president of the Socialist Republic of Romania

RCP CONGRATULATES COLOMBIAN COMMUNISTS ON 50TH ANNIVERSARY

AU211730 Bucharest SCINTEIA in Romanian 17 Jul 80 p 5

[Congratulatory message from RCP Central Committee to Colombian Communist Party Central Committee on party's 50th anniversary]

[Text] To the Colombian Communist Party [PCC] Central Committee:

The 50th anniversary of the PCC's establishment affords us a pleasant opportunity to convey to you, to the communists and working people of Colombia warm, comradely greetings, cordial congratulations and wishes for new successes in your party's activities, on behalf of the RCP and its secretary general, Comrade Nicolae Ceausescu.

The RCP and the Romanian working people follow with feelings of solidarity the 50-years old struggle of the PCC and of the other popular, democratic and progressive forces of Colombia to defend and consolidate the country's independence and sovereignty, to utilize national resources in accordance with the interests of the Colombian people, and to ensure the fatherland's independent development along the path of economic prosperity and social progress, for peace and cooperation among peoples.

We want to take this pleasant opportunity to reaffirm our determination to further develop the ties of friendship and cooperation established between the RCP and the PCC, relations characterized by mutual trust, esteem and respect, thus contributing to strengthening, expanding and diversifying the mutually advantageous and multifaceted cooperation between our countries and peoples, and to promoting the general cause of international peace and understanding.

[Signed] RCP Central Committee

CEAUSESCU GREETS GISCARD D'ESTAING ON BASTILLE DAY

AU140830 Bucharest AGERPRES in English 0745 GMT 14 Jul 80

[Text] Bucharest, 14 Jul (AGERPRES)--Romanian President Nicolae Ceausescu addressed, on the national day of France, a congratulatory telegram to President Valery Giscard d'Estaing, conveying warm congratulations and sincere wishes of good health and personal happiness to him, welfare and prosperity to the friendly French people.

I am looking forward with pleasure for the impending visit to your beautiful country, reads the telegram, and express my hope that this time too, our meetings and talks, the agreements we shall reach will give a fresh impetus and new dimensions to the traditional Romanian-French relations of friendship and collaboration, to the collaboration in solving major problems of the international life to the interest of the Romanian people and of the French one, of the policy of peace, detente and independence in Europe and the world over.

DUMITRU POPESCU RECEIVED BY PORTUGUESE PRESIDENT

AU220650 Bucharest Domestic Service in Romanian 0400 GMT 22 Jul 80

[Text] On a visit to Lisbon at the head of an RCP delegation, Comrade Dumitru Popescu was received by Portuguese President Antonio Ramalho Eanes. Both sides expressed the desire to intensify economic exchanges and bilateral cooperation in many areas. They also emphasized the two countries' convergence of views on the need to intensify efforts to achieve a genuine security in Europe, and along this line, to secure the success of the forthcoming Madrid meeting, which should facilitate measures for military disengagement and disarmament, for strengthening cooperation, detente and peace in Europe and throughout the world.

ION COMAN MEETS WITH NICARAGUAN MINISTERS IN MANAGUA

AU221032 Bucharest AGERPRES in English 0945 GMT 22 Jul 80

[Text] Managua, 22 Jul (AGERPRES)--During his participation in the first anniversary of the victorious Nicaraguan people's revolution, Ion Coman, member of the Executive Political Committee, secretary of the CC of the RCP had interviews and talks with Bayardo Arce Castano, president of the State Council; Miguel d'Escoto, minister of foreign affairs, Alejandro Martinez Cuenca, minister of foreign trade of Nicaragua.

Opinions were exchanged on the relations between Romania and Nicaragua with emphasis on the mutual wish to develop the Romanian-Nicaraguan relations, friendship and collaboration both bilaterally and internationally, in the interest of the two countries and peoples, of the cause of peace and understanding in the world.

SCINTEIA CHAMPIONS PEOPLES' RIGHT TO INDEPENDENCE

AU171030 Bucharest AGERPRES in English 0940 GMT 17 Jul 80

[Text] Bucharest, 17 Jul (AGERPRES)--Firmly and consistently defending every people's right to be full master of its destinies, to build freely its life as it wishes without any outside immixture is one of the fundamental orientations of Socialist Romania's foreign policy most forcefully affirmed in the 15 years that have elapsed since the 9th Congress of the RCP, writes SCINTEIA in its July 17 issue in an article of the series marking one-and-a half decades since that congress.

As seen by Romania, by President Nicolae Ceausescu this is the acme and synthesis of all rules that should be governing the interstate relations, including as chief element the right to master one's national riches and use them to the benefit of one's own development.

Highlighting the vigorous affirmation under the contemporary conditions of the peoples' will to develop free, the important role of the nation as a motive force of progress, SCINTEIA writes.

When the peoples' right to master their own destiny is observed, wide way opens to good interstate relations, to friendly collaboration, peace is consolidated and detente ensured. Contrarywise, whenever this primordial right is violated, hotbeds of conflict and tension emerge, serious danger is spelt to world peace and security. The strict observance of this right is the keystone of peace and detente, SCINTEIA goes on, mentioning that any attempt at checking the revolutionary, liberation struggle, at denying or suppressing the struggle for structural social transformations, as well as imposing from the outside changes for which the respective peoples are not ready politically and socially, run counter to the demands of observance of the peoples' sovereign rights. The "export" of both counter-revolution and revolution is therefore incompatible with the rules of international relations. Such practices cannot be viable as they lack perspective. The force of the constructive solutions found for the problems of development of any society resides precisely in their having been the emanation of the peoples directly concerned, of the will and realities in the respective countries.

Romania, the paper concludes, has profound understanding of the aspirations after freedom, after political and economic emancipation of all peoples that have taken their fate into their own hands. The solidarity shown to these peoples during the liberation struggle finds natural continuation in the broad support given to their efforts for social and economic development, for capitalization of their national resources to their own benefit.

JOINT COMMUNIQUE ISSUED ON VISIT BY FRG FOREIGN MINISTER

LD191042 Belgrade TANJUG Domestic Service in Serbo-Croatian 0757 GMT 19 Jul 80

[Joint communique issued in Belgrade on 19 July at the conclusion of the 17-19 July visit to the SFRY by FRG Minister of Foreign Affairs Hans-Dietrich Genscher]

[Text] At the invitation of Josip Vrhovec, federal secretary for foreign affairs, Hans-Dietrich Genscher, FRG vice chancellor and minister of foreign affairs, paid an official visit to Yugoslavia from 17 to 19 July. The visit took place in an atmosphere of friendship.

During his stay in Yugoslavia, Foreign Minister Genscher was received by Cvijetin Mijatovic, president of the SFRY Presidency, and Veselin Djuranovic, president of the Federal Executive Council. Foreign Minister Genscher also had a meeting with Stane Dolanc, member of the LCY Central Committee Presidium. Exhaustive and extensive talks on bilateral relations and international questions were held during these meetings.

Apart from Belgrade, Foreign Minister Hans-Dietrich Genscher also visited Smederevo and inspected the (?Smederevo) iron works.

Federal Secretary Josip Vrhovec and Foreign Minister Hans-Dietrich Genscher held talks on bilateral relations and cooperation between the two countries and on topical international questions of interest to both sides.

During the talks, which were held in a direct, open and friendly atmosphere, the two ministers noted with satisfaction that relations between the SFRY and FRG were developing successfully in all fields. They confirmed the two countries' readiness to continue to promote and deepen comprehensive mutual relations and cooperation on the principles of independence, equality, mutual respect and trust. At the same time they stated that they would exert efforts to pursue further possibilities for the further strengthening relations and cooperation in all fields.

The two ministers particularly agreed that the existing high level of economic cooperation should be ensured and strengthened through efforts made by both sides. They agreed that to this end it is necessary for both sides to try to eliminate problems in this cooperation and that it is in the interests of both countries to continue to make efforts aimed at improving the structure of the exchange of goods and achieve a better balance in trade exchange, as well as to deepen and develop the higher and more modern forms of economic cooperation on a long-term basis.

Positively assessing the current development of cooperation in the fields of culture, education and science and between sociopolitical organizations, the two ministers expressed themselves in favor of broadening and deepening this cooperation.

They also expressed satisfaction at the useful practice of maintaining contacts and exchanging visits between representatives of the socialist republics and socialist autonomous provinces on the one hand and the Federal Laender on the other, in the conviction that these contacts contribute to better mutual understanding and greater mutual trust.

They underlined the significance of the Yugoslav workers temporarily employed in the FRG for strengthening mutual understanding and trust and better mutual acquaintance.

The two ministers stressed the two countries' interest in the successful settling of unsolved questions connected with the life and work of these workers in the FRG. They also expressed readiness for the further development of tourist cooperation and exchange of people, which contribute to the strengthening of understanding and mutual respect.

The two ministers pointed out the dangers constituted by terrorism. They underlined the determination of their governments to energetically struggle against them.

They exchanged views on and appraisals of the international situation and topical problems of the world. After completing their review of the international situation, the two ministers exchanged views on the most acute flashpoints of crisis. They stressed the need for the political settlement of all these conflicts. The two ministers noted that the exacerbation of international relations is causing great anxiety. They pointed out the dangers created by the increasingly frequent use of force, pressure and interference in the internal affairs of other countries, appraising this as a threat to peace and stability in the world and to the freedom and integrity of states.

The two ministers noted that the danger of the new arms race, the constant deepening of the gap between the developed and developing countries and the failure to deal with the acute flashpoints of crisis represents a serious and constant threat to the stability of international relations.

Expressing a high degree of agreement, the two ministers stressed the need for continuing and strengthening detente as an indivisible world process and the indispensability of efforts made by the entire international community for the overcoming of the current tension and of the problems in international relations.

They particularly stressed the need for the full realization of all the principles and provisions contained in the Helsinki Final Act and for deepening cooperation on an equal footing in Europe on the basis of that act's principles, this also being of broader positive significance for the stability of relations and cooperation in the world. They expressed the hope that the Madrid meeting would represent a significant and constructive effort in this direction. They voiced the desire that all the participating countries should exert efforts to contribute to the success of this meeting, bearing in mind in the course of doing so that need for balanced treatment of all of the Final Act's "baskets."

The two ministers expressed the conviction that the Madrid meeting of the Conference on Security and Cooperation in Europe would succeed in passing a decision on the convening of a conference on disarmament in Europe.

The two ministers stressed that international problems and disputes must be settled by peaceful means in the spirit of and in keeping with the UN Charter and the principles of peaceful coexistence.

The two ministers agreed that ways out of deep crisis could be found successfully only on the basis of full recognition of the right of all peoples and countries to sovereignty and independence, full respect for territorial integrity and independent choice of their own way of life without foreign interference and imposition of foreign will by means of force or various forms of pressure and domination.

They also agreed that it is necessary to strengthen the role and activity of the United Nations in the settling of international relations and solving of the most important problems confronting the world.

In this connection, they stressed the importance of the policy of nonalignment in the international field as an independent factor. They agreed that this policy, on the basis of its original principles and goals, plays an important role in the strengthening of stability in the world and in improving international relations.

The two ministers agreed that the continuation of fruitful and comprehensive cooperation between the SFRY and the FRG represents a concrete contribution to the strengthening of trust and cooperation and to the consolidation of peace in Europe. They agreed that the two countries should continue with their established practice of having dialogues at all levels and that they should also intensify cooperation in their international activities.

Foreign Minister Hans-Dietrich Genscher invited Federal Secretary Josip Vrhovec to pay an official visit to the FRG. The invitation was accepted with pleasure.

CROATIAN ASSEMBLY DELEGATION LEAVES FOR VISIT TO UKRAINE

LD212041 Belgrade TANJUG in English 1745 GMT 21 Jul 80

[Text] Zagreb, July 21 (TANJUG)--A delegation of the Executive Council of the Republican Assembly of the Yugoslav Constituent Republic of Croatia, headed by Executive Council President Petar Flekovic, left here today in a return visit to the Ukrainian Soviet Socialist Republic. Besides the Ukrainian capital Kiev, the delegation will also visit Yalta, Odessa and Moscow.

DRAGASEVIC RECEIVED BY ZIMBABWE'S MUGABE

LD212100 Belgrade TANJUG in English 1741 GMT 21 Jul 80

[Text] Salisbury, July 21 (TANJUG)--Zimbabwe Prime Minister Robert Mugabe received today Yugoslav Federal Executive Council member Vuko Dragasevic who presented him a message from Presidency of Yugoslavia President Cvijetin Mijatovic.

In a lengthy talk, Prime Minister Mugabe outlined Zimbabwe's social and economic development programme which will be carried out under specific conditions and requirements and in the spirit of new socio-political relations.

Prime Minister Mugabe highly assessed the proposals of the Yugoslav delegation concerning further development of long-term bilateral cooperation, stressing that Zimbabwe expects not only Yugoslavia's assistance but also its active involvement in the fulfilment of Zimbabwe's economic development programme. Prime Minister Mugabe expressed Zimbabwe's wish to use Yugoslav experiences and achievements especially in the field of agriculture, mining, industry, expert training and other fields of economic and social life.

Thanking on the to-date support and assistance of Yugoslavia, Prime Minister Mugabe expressed Zimbabwe's readiness to expand overall cooperation to the mutual benefit.

MIJATOVIC SPEAKS AT KRK BRIDGE OPENING CEREMONY

AU191500 Belgrade Domestic Service in Serbo-Croatian 0922 GMT 19 Jul 80

[Speech by Cvijetin Mijatovic, president of the SFRY Presidency, at the opening of the KRK-mainland bridge--live]

[Text] Comrades: It is with great pleasure that I have come here among you, on behalf of the SFRY Presidency, in order to share with you the joy of another great economic achievement, and to open this giant and majestic project. This bridge ranks among those great construction projects of ours which in the best way express our strivings and our present achievements.

We are all sad because this ceremony, too, is overshadowed by the grief for the strategist and leader of our revolution in all its battles and victories in war and peace, for Comrade Tito. This bridge, too, was to be opened by Tito, a man who loved our sea so much, who always cared for its coasts and who liked so much to sail on it. Alas, Tito is no longer among us, but the great achievements of our revolution--the revolution that was headed by him--remain, making his indelible imprint on our recent history.

The further development of these achievements is a guarantee of our stability and progress. The great name of Tito remains alive in these achievements as a symbol of everything that links the free and equal peoples and nationalities of Yugoslavia in a brotherly and united socialist self-managing community. [cheers, applause] What remains is the determination of the communists and all the working people of Yugoslavia to continue this work and to continue consistently and unwaveringly along Tito's road.

This masterpiece of human mind and hands is most suited to bear Tito's name. There is double symbolism in this: First because Tito in the fullest sense of the word was a builder of bridges among countries and nations. The beauty and the monumental dimensions of this bridge indicate the beauty and greatness of Tito's work, in which his noble and human idea of drawing closer together in equality and dignity all the people without regard for nation, religion and race, and of their linking in a struggle for a more just world and its happier tomorrow is raised high.

The opening of this bridge, which was an age-long dream of the people of Krk and of all this region, constitutes a significant event not only for this area and for the Socialist Republic of Croatia, but also for all our country. The bridge will link the largest Adriatic island with the mainland, primarily with Rijeka and its environs, which is a very developed industrial center of exceptional importance for the Yugoslav economy. The greater part of our shipbuilding is located in this area. With more than 16,000 employed, it engages and associates labor of our entire socialist community. The further advancement of this industry is of great importance for our entire community.

Of no less importance are the great opportunities offered by the Gulf of Rijeka. Over 80 percent of the maritime transit traffic for central European countries flows through this port. Such developed maritime industry and shipping are of great importance in our economic development. In addition to the airport that has been constructed, the Yugoslav oil pipeline that was commissioned last year, and work on the large petrochemicals project, another large economic project has now been completed here.

One must particularly stress the significance of this traffic link for tourism.

Just as the advancement of tourism at the beginning of the sixties speeded up its construction, this traffic link will now speed up the further development of the tourism industry. This region in fact brings to Yugoslavia the largest foreign exchange earnings from tourism.

In a word, this bridge will become an artery of the strong economic circulation of this region.

We are proud that the construction of this bridge, which is the largest in the world so far, is our own work. This is a manifestation of paramount achievements in technology and in every other aspect. We are proud that this is our joint effort, the designers and the contractors being from all over the country, with this example we show to everybody how our self-managing socialist society is advancing and what it is achieving in its material development, too.

Comrades, 30 years have elapsed from that historic day when workers' self-management in the economy was inaugurated by law. This act was an expression of the width and originality of our socialist revolution, of the creative force of the workers class and of the consistent adherence by its vanguard, the communist party or the LCY headed by Tito, to Marxist science. The act flowed naturally from the democratic national character of the revolution. At the same time, this historic step signified the opening of long-term prospects of the socialist transformation of our entire society on the basis of self-management.

For 30 years now we have been building relations and a system at the base of which lies the emancipation of labor and the widening of the rights and the creation of opportunities for the workers class and the working people to decide more and more on the conditions and results of their work, to take social affairs more and more into their own hands, and to influence the development of society in general more and more decisively. What is of special significance is what has been achieved in the past few years in the development of the delegate system and relations on this basis, in the building of new relations in our federation, in social accords, self-managing agreements, and particularly in the cultivation of collective work, decisionmaking and responsibility.

In the delegate assemblies and delegations, millions of working people and citizens now discuss and decide every day on their vital social affairs and enrich their comprehension and experiences. All this is developing and strengthening now as a basic characteristic of our socialist society and of our self-managing system.

We have ensured the essential material, cadre and system prerequisites for the further building of even more humane relations in society, such as are appropriate for a community of free men and equal peoples and nationalities. Socialist self-management which implies full rights, but also demands greater and greater responsibility and strivings of the workers themselves and all the citizens, is the only way for a successful social development on stable foundations. This is the only tested way of eliminating bureaucratic behavior and all other occurrences and distortions which manifest a departure from the basic principle that work should determine the material and social position of every individual.

In the past 3 decades self-management has passed its historical test both as an idea which in the present world is spreading more and more and is opening prospects for a true emancipation of working man and as a practice which in our country has become an irreplaceable basis for the unity, equality and strength of our community.

Comrades, we are achieving the first results in the struggle for economic stabilization, in which all the sociopolitical forces and factors, the workers class and the working people are joining more and more.

Our economy is beginning to adjust to the realistic conditions of development. Demand on the domestic market is calming down gradually, although still slowly. The growth of general and public spending is slowing down. Significant results in increasing exports were achieved in the first half of the year. There are signs that the material basis of associated labor is strengthening. In any case, we are following a good road both in economic policy and in economic practice, in the direction of implementing the policy of economic stabilization. This is to say: Results are there, but we cannot yet speak about deeper and more essential changes, for a long time now we have been facing serious problems and difficulties in the realization of the agreed policy. You will remember that Comrade Tito also warned about this in his New Year's message when he pointed out that a year of complex problems and considerable difficulties lay ahead of us and when he requested more work, discipline and responsibility from all.

We must not close our eyes to the fact that inflation in our country has not been stopped yet, that investment--although abating to some extent--is not yet reduced to realistic proportions. We also have difficulties with the supply of raw materials, production materials and equipment. All this is appearing in a very acute form because of, among other things, the tremendous increase in the cost of imports. For instance, for the imports of oil alone we pay almost 50 percent of our foreign exchange earnings from goods and services, while 8 years ago the cost of oil amounted to a few percent only.

The energy crisis has hit many countries, even the richest ones, let alone the less and the least developed ones. The entire world economy which developed on cheap energy, on the basis of cheap oil, has been shaken to its foundations. This of course had to hit our economy, too. This situation demands that we urgently and thoroughly reexamine our calculations and our behavior so far.

Above all, it is necessary to overcome the difficulties in attaining accord between the republics and provinces on the implementation of policy in the fields in which we must be most consistent in implementing economic stabilization. Our executive and administrative organs, in keeping with their constitutional and legal powers, must take the necessary measures, including restrictive ones, in time and more resolutely. This applies in particular to the field of economic relations with foreign countries. Measures to reduce imports to the limits of the balance of payments possibilities are of great importance for strengthening the position of the country in international trade, and thus also for strengthening our self-managing community as a whole. Any vacillation in connection with the realization of the planned balance of payments may cause us great harm.

It is very important now that all the remaining measures envisaged by our stabilization policy be adopted within the agreed time limits. One must further bear in mind that stabilization may be attained only through a greater reliance on one's own forces. Some self-denial is inevitable. We must reckon with it. People understand this. As they have shown many times, they are prepared for it now, too.

But the burden of stabilization must be distributed as evenly as possible, for many are trying even now to shift this burden onto others. For instance, through unjustified price increases and in other ways they are trying to maintain their consumption uncut, although they try to live on credit, at the expense of others. We must conduct such a price policy as will ensure that the maximum effect of the change in the dinar exchange rate will be achieved.

This policy must contribute to a healthy competition in the market, stimulate the productivity of labor and of economies, and it must not encourage a race between the cost of living and personal incomes. A truly radical change in behavior of all economic and social factors and their increased responsibility in decisionmaking are necessary. [applause]

Comrades, the more and more frequent occurrences of irregular supplies and various shortages show that we need more responsibility and efficiency. They rightly cause dissatisfaction among citizens. It happens rather frequently that stocks of goods are held by producers or in shops but they are not put on sale, in order that higher prices may be extorted. This is a crude violation of the basic moral and social norms and we must energetically react to it.

Certain goods necessary for daily life have been in short supply for months. It has been shown, however, that these problems can be solved by ensuring appropriate imports and in some cases by a necessary correction of the price. Regardless of the shortage of foreign exchange, our society can and must allocate funds for such needs.

I do not wish to lessen the responsibility of the respective organs in sociopolitical communities for these occurrences. On the contrary: Everybody, within his area of competency, should bear full responsibility for the omissions and mistakes which hurt the basic interests of our working people and citizens. However, the citizens themselves are fully competent and are called upon to have their say on these matters and to assert their rights more. Indeed, they are doing this more and more, but it is necessary that they should act in an even more organized fashion in the socialist alliance, in the consumers councils and through delegations, and that they should request a greater involvement of self-managing organs, social control organs, inspectorates and so forth on these questions, beginning with the local community and upward.

Difficulties such as these concerning supply can be and will be eliminated more rapidly with united forces. However, a longer time will be needed to overcome difficulties which are rather objective in nature and which it was difficult or impossible to avoid. Anyhow, this can be achieved only through a further strengthening of the power of the workers class and the decisionmaking of associated labor itself.

In a country like ours, a country in which we have been achieving a lively economic and general development for decades that has been considered one of the most rapid developments in the world, and a country that is increasingly more linked to the world economy, it has been also impossible to realistically foresee everything. And it has been even more difficult to avoid the consequences of everything that has continued to shake the economies of the countries with which we maintain extensive economic exchange. It is partly because of this that, although we have striven for years, we have not succeeded in carrying out to the necessary extent what the economists call a change of the economic structure. This has not been an easy task but now the troubles have forced us to move more resolutely in this direction.

What is primarily involved in this connection is the need for a more rapid development and a far more careful use of energy from our own sources and the need for a more rapid and less costly production of our own raw materials and food both for our own use and for export. At the same time we must create the conditions for a justified stimulation of our exports by providing economical substitutes for our imports.

Naturally, the answers to the questions of what, how, at what rate and with whom, and which production should be developed and accorded priority, can best be determined by associated labor itself, that is, the workers class and all working people in the organizations of associated labor and their associations.

All the measures that we are taking, including in this connection the devaluation, are aimed at encouraging and helping self-managing integration and a more harmonious development of our economy and society as a whole. In fact all this, by its economic logic, must eliminate the obstacles standing in the way of stabilization. We are aware of the existence of serious objective difficulties, but we must primarily orient ourselves toward subjective shortcomings. The basic requirement is that more and better work must be done everywhere, for our labor productivity is low and our work organization is often poor. The unutilized internal reserves are enormous in our country. How often time, energy and materials are used inefficiently and even wasted. The working people must prevent all this. There can be no talk about stabilization and more rapid socio-economic development in our country without this.

Comrades, we have great tasks before us, especially in connection with the adoption and fulfillment of the next medium-term plan. Bearing in mind all our potentials, both material and cadre potentials, and our system with all of its imperfections as well as its advantages, we can be confident that we will successfully overcome these present difficulties and that results will not be lacking. [applause] After all, this is how it always has been in the past when we approached our tasks in a united and organized manner. The present time is one of those times when all our people must strive seriously in their work. The communists and all organized socialist forces have a special responsibility. It is only by consistently implementing the stabilization policy that we will eliminate the existing difficulties and insure a more successful and stable development, greater employment and income, the participation in the international division of labor under more favorable conditions, a better life for the working people and increasingly greater self-managing rights for our working people and citizens.

Comrades, on this occasion and at this place, too, I wish to point out that, just as it has been until now, socialist nonaligned Yugoslavia is open to and ready for the broadest cooperation and friendly relations with all countries on the basis of the same principles of mutual respect for independence, equality, mutual consideration and mutual benefits as heretofore. This is our lasting orientation in the same way that our determination to further develop the system of socialist self-management in our country is lasting. After all, these two things cannot be separated from each other. This is the result of our revolution and our policy that our country has constantly followed under Tito's leadership.

We still continue to receive expressions of admiration for Tito's personality and of recognition for the reputation and role of the nonaligned Socialist Yugoslavia in the world, expressions of confidence in and support for our independence and development and our nonaligned policy. These expressions of recognition are all the more important because they are coming from all countries, both those geographically near and those geographically distant, both big and small and both non-bloc countries and the countries that belong to blocs. This, too, is a proof of the stability of our country's position in the contemporary world which is being shaken by many crises and conflicts, various rivalries, enslavements, violence and poverty. As Comrade Tito said many times, the strength of a country is measured to a great extent among other things by the number of its friends in the world among countries, ranging from its neighboring countries to the countries in the most distant parts of other continents.

Our foreign political activity has not slackened in the past period, which has been very difficult for our country. First of all, we maintain constant contacts and consultations with the heads of states and prominent figures of a large number of nonaligned countries and, in the same manner, of other friendly countries. We attach great importance to these activities. I want to point out with satisfaction that precisely in the last few months we have obtained new proof that Yugoslavia's nonaligned position and policy and its active role in the world are increasingly more valued in the world as a historical reality that is objectively in accord with the interests of the widest circles of countries. Our relations with the big powers also play their role in this respect.

In our recent talks with Chairman Leonid Brezhnev both sides confirmed their desire for the further comprehensive and stable development of the friendly relations and the existing successful cooperation between Yugoslavia and the Soviet Union on the basis of the known principles of the Belgrade Declaration and other joint documents. This was also confirmed in Leonid Brezhnev's message which we received in recent days in connection with the visit of the high-level parliamentary delegation of the Soviet Union. We are convinced that this development of relations is in the long-term interest not only of our two countries but also of wider interests.

In the same way the recent talks with Chairman Hua Guofeng confirmed a mutual readiness for an increasingly broader development of Yugoslav-Chinese cooperation and for the strengthening of our friendship. This cooperation, which is very successfully developing on the basis of mutual understanding and respect and which was determined during Tito's visit to China and Hua Guofeng's visit to Yugoslavia, has also a wider importance.

President Jimmy Carter's first visit to our country provided an opportunity for both sides, in the spirit of openess and complete mutual respect, to once again emphasize their desire to expand the cooperation between Yugoslavia and the United States as well as to cultivate their friendly relations on the basis of the principles determined at Comrade Tito's earlier meetings with the presidents of that country.

Comrades, in all these talks we devoted special attention to easing the tense international situation and to renewing and strengthening the detente which alone can enable the world to overcome crises and to move in the direction of stability and general progress. On every occasion we used the same arguments to emphasize that it is difficult to perceive the prospects of the relaxation of tension if this relaxation fails to include all regions and all problems and if all countries do not participate in it. We also stressed the need for improving the relations between the big powers, which bear a special responsibility for the present difficult situation in the world. Thus we are all the more encouraged by the announcements of the talks at least on some measures that could lessen the arms race. As we have done in the past, we will welcome every step leading in this direction and will make our efforts to improve the relations in Europe and the world as soon as possible.

Following the policy that we instituted and followed during Comrade Tito's leadership of our country, we attach enormous importance to the development of good and friendly relations and the broadest possible cooperation with all our neighbors always on the basis of the same principles, that is, the principles incorporated in the UN Charter and the Final Act of the The Helsinki CSCE. We have accomplished a great deal in this connection. Today we maintain friendly relations and cooperation with a majority of our neighbors; and, as is known, the countries involved in this connection are the countries whose policies and international positions differ in many respects.

We will further continue to constantly strengthen good-neighborly relations with all of them, being convinced that this is in the vital interest both of our country and of each of the countries with whom we share common borders. We wish these borders everywhere to be a factor of trust and cooperation and to be the bridge across which the people will move freely, across which their spiritual achievements will circulate and across which material goods will be exchanged. A comprehensive cooperation represents the way of and a contribution to a gradual solution also of certain unsolved problems wherever they exist.

We also wish to further develop our friendly cooperation with all other European countries. We are deeply convinced that, respecting and further developing the spirit and the letter of their obligations assumed in Helsinki, they can make a new and exceptionally important contribution to the relaxation of tension in our area, including the Mediterranean region, and thereby in the entire world. For this reason we will strive to insure that the forthcoming Madrid meeting, too, will be as fruitful as possible and that it will open, through a constructive dialogue of all participants, the ways to a greater security and greater trust and cooperation in Europe as well as in the relations between the European and all other countries.

We are deeply convinced that in the contemporary complex world--a world split by the bloc divisions and shaken by conflicts but at the same time a world united in the aspirations of its peoples to live and progress in peace and cooperation based on equality--it is precisely the nonaligned movement and policy that can most successfully contribute to the attainment of these goals. [applause] We have always been convinced--and Comrade Tito, too, often spoke about this--that peace and progress in the world cannot be achieved through conflicts and rivalries and by expanding the spheres of influence and the like but through peaceful solutions of problems and by respecting the right of all countries to their independence and their freely chosen development. For this reason the contemporary world increasingly needs a principled and consistent policy and effective action, the policy and action followed by the nonaligned countries which represent a non-bloc and independent factor of international relations.

As far as we are concerned, we will continue, in closest cooperation with the nonaligned and other friendly countries, to consistently follow this policy, convinced that it is fully in accord not only with the interests of our country but also with the noble aspirations of mankind and with those ideals and aims whose attainment should make all peoples and all men happier.

Comrades, it has become a sacred tradition in our country to mark and celebrate our historical holidays by completing the construction and commissioning for regular operations of new economic facilities and other projects of social value. Thus this festive occasion, too, falls in the month in which the anniversaries of the 1941 uprisings are being marked. Those were the great and unforgettable days when the courage of barehanded people opposed the brutality of the powerful, the days of saving our honor and our dignity, the days of the decisive battle for our existence and our future. Our courage was based on our self-confidence that only united could we resist the conquerors, that only united in brotherhood could we win and lastingly preserve our freedom and that only united could we insure a better life and comprehensive progress in peace and independence.

The political map of the world has changed in the past four decades. The world has experienced and continues to experience epochal changes. The world has changed in many respects. But in one respect, unfortunately, it has not changed. The threats to the freedom and independence of the individual, primarily small, countries have not ceased and they are even increasing in some places. As long as these threats continue to exist, no matter which part of the world they may manifest themselves, the lessons and messages of 1941 always will be topical for us.

Briefly, we remain unwavering in everything that Tito taught us and consistent in our further implementation of the historical goals for which we struggled together with Tito for more than four decades. [applause]

Today we must even more strongly bear in mind and keep even more deeply in our hearts the brotherhood and unity of peoples and nationalities of Yugoslavia as the greatest achievement of the revolution, a fact that Comrade Tito emphasized on every occasion. This is our debt to Tito, this is our obligation toward ourselves and toward our children. This is the condition for our security and a peaceful life in freedom and creative work of this and future generations. We always must keep this before our eyes. This is the foundation of our socialist self-managing community of equal peoples and nationalities, of Tito's Yugoslavia.

Visits Petrochemical Complex

LD192111 Belgrade TANJUG in English 1927 GMT 19 Jul 80

[Text] Omisalj, July 19 (TANJUG)--Three of the eight factories of the Dina petrochemical complex on the off-shore island of Krk, northern Adriatic, Yugoslavia, will be put into operation next year. Cvijetin Mijatovic, president of the Presidency of Yugoslavia, was informed today of this news while on his visit to the industrial zone in the island. The Krk petrochemical complex is being built jointly by the INA, a Yugoslav enterprise, and the Dow Chemicals, a U.S. corporation.

Mijatovic also became acquainted with the functioning of a new oil pipeline between the island of Krk and the Yugoslav-Hungarian frontier. This year, 215 million tons of oil has been through this pipeline for domestic and Hungarian enterprises. Austria has also showed interest in this pipeline.

PRESIDENCY DISCUSSES ECONOMIC DEVELOPMENT, MILITARY TRAINING

LD181124 Belgrade TANJUG Domestic Service in Serbo-Croatian 1808 GMT 17 Jul 80

[Text] Belgrade--The SFRY Presidency held a session in Belgrade today. The session, chaired by Cvijetin Mijatovic, president of the SFRY Presidency, was attended by the highest-ranking officials of the federation and presidents of the presidencies of the republics and the autonomous provinces.

The Presidency was acquainted with a report on the session of the Federal Social Councils for Issues Concerning the Social System and for Economic Development and Policy, which considered questions about the system and measures aimed at encouraging the speedier development of insufficiently developed republics and the Autonomous Province of Kosovo.

Zvone Dragan, vice president of the Federal Executive Council, briefed the Presidency on the progress of and problems encountered in the preparation of the agreement on the foundations of the social plan for Yugoslavia for the 1981-1985 period.

The Presidency also considered the basic questions of the preparation of the draft social agreement on the foundations of the long-term Yugoslav plan for the development and application of nuclear energy in generating power.

The session also considered questions concerning admission to training course for cadres required by the armed forces, the basic characteristic of the officer cadre in the armed forces and the state of legal regulations in the field of national defense.

The Presidency also considered a number of other questions within its constitutional competence.

ASSEMBLY CHAMBER OF REPUBLICS, PROVINCES HOLDS SESSION

LD181538 Belgrade TANJUG Domestic Service in Serbo-Croatian 1131 GMT 17 Jul 80

[Excerpts] Belgrade--The Chamber of the Republics and Provinces of the SFRY Assembly today charged the Federal Executive Council with the task of speedily adopting measures providing for the monitoring of the effect of the change in the dinar exchange rate and contributing to the efforts to reduce all the forms of consumption to the limits made possible by income and curb price rises. Delegates also insisted on the adoption of other measures needed for the more effective implementation of the resolution on this year's socioeconomic development.

The conclusions, adopted in connection with the Federal Executive Council's report on economic trends this year, and development possibilities next year, stress that the complex economic situation demands the full involvement of all the planning components in the consistent implementation of the agreed policy. It was noted that despite delays there was a real possibility of adopting the new medium-term plan for the country's development by the end of this year.

The question no longer is what is achieved, but why the 5-year plan is not being carried out, Ljubisav Markovic, rapporteur for the Committee for Planning, said during the debate on the Federal Executive Council's report on economic trends. Despite the fact that material progress has been recorded for the country as a whole in recent times, economic instability and inflation grew last year and even more so this year. Markovic proposed that in the course of this year broader and more complete stabilization measures be adopted, even measures not contained in the resolution on socioeconomic development. He supported the change in the dinar exchange rate, because he considered it to be unavoidable. At the same time he called for measures aimed at monitoring the effect of the devaluation, so that the economy should be kept current of the conditions of economic activity.

Spasoje Medenica, director of the Institute for Planning, briefed delegates on the progress of the work on the problems encountered in the preparation of the draft of the social plan for Yugoslavia for the 1981-1985 period. Medenica first stated that the measures concerning the so-called second stage of the work on the implementation of the stabilization policy would be known by the end of this month. This concerned changes in the foreign exchange system and customs policy, bringing investments into line with income and also questions of monetary policy, social development and the policy of raising loans abroad.

The director of the Federal Institute for Planning stressed that it was indispensable that the social plan for Yugoslavia and the plans of the republics and provinces be adopted by the end of the year. Should this not be done, the effect of the measures already adopted and those due to be adopted would be lessened.

The delegates of the Chamber of the Republics and Provinces discussed the market supply situation. This was, in fact, the continuation of the debate started at the last session of this Assembly Chamber, when the shortage of detergents was discussed at the request of delegates.

Imer Pulja, federal secretary for the market and general economic affairs, spoke about the measures which the Federal Executive Council had adopted to normalize supplies. Pulja said that there was no reason why sugar should be in short supply. The Federal Executive Council had passed a decision imposing a temporary restriction on sugar exports and a decision on intervention from goods reserves. The situation with edible oil was somewhat more complex. But should it persist, importing certain quantities would be allowed for a short time. A decision had already been passed allowing the use of 15,000 tons from the federal goods reserves. Pulja also spoke about pressures aimed at raising the price of oil-yielding rape.

The federal secretary for the market and general economic affairs said that an agreement had been reached with regard to the balance of payments positions of the republics and provinces, envisaging the necessary foreign exchange funds for importing the required quantities of coffee, basic raw materials for the production of detergents and finished pharmaceutical industry products and for supplying the market with the appropriate qualities of lemons. The provision of foreign exchange funds for these products would have a priority. However, unless all the republics and provinces released the funds simultaneously the situation would continue to be as it was, because the united market could not be hermetically sealed.

Gojko Ubiparip, vice president of the Federal Executive Council, said in reply that the Federal Executive Council would shortly report to delegates on the problems encountered in keeping the economy supplied with reproduction and raw materials. He also said that accord had not yet been reached between the republics and provinces on the agreement of prices and that the accord-seeking process was continuing. As soon as agreement was reached the decision setting maximum prices would be cancelled.

At the afternoon session the chamber adopted conslusions on the economic situation. The conclusions note that the report of [words indistinct] Federal Executive Council contains sufficient material for a realistic appraisal of the rate of realization of the SFRY social plan for the 1976-80 period. They draw attention to the problems which have manifested themselves over the past years, especially this year, with regard to the disproportions [words indistinct] economic relations and balance of payments with foreign countries and the development of the Socialist Autonomous Province of Kosovo. The conclusions also point out the lines of activity and the measure approved by the Federal Executive Council and due to be adopted by the end of 1980. It also indicates 1981 development possibilities. This and the agreements on the foundations of the social plan for Yugoslavia for the period 1981-85 will serve as the basis for the preparation of the draft resolution on the policy of realization of the 1981 social plan for Yugoslavia.

The conclusions stress that the Federal Executive Council will continue to monitor and analyze the course of socioeconomic development in 1980, and when necessary, adopt measures within its competences, give initiative for the adoption of measures in the republics and provinces, and that it will present a fuller report on the realization of the plan in October this year. Proceeding from the views already expressed and from the fact that the completion of the fifth year of the plan is now in progress, and on the basis of continuing discussions in the working bodies of the chamber, a complete appraisal of the realization of the plan will then be made and final decisions adopted.

In view of the deepening economic instability and difficulties experienced in the balance of payments with foreign countries, the chamber supports the measures concerning the change in the dinar exchange rate, reduction of all forms of consumption to the limits set by the available and clearly defined resources, and efforts to restrict the growth of prices. The chamber insists on the speediest adoption of all other measures necessary to achieve a more effective implementation in 1980 of the resolution on the policy of realization of the social plan for Yugoslavia for the period 1976-80. This will have a favorable effect on strengthening economic motivation in economic activity, on efforts to increase exports, and will rationalize imports and establish more harmonious relations in reproduction.

The development policy for 1981 should be more clearly defined, bearing in mind the consistent application of the socioeconomic system, the realization of the policy of economic stabilization, strengthening the economic export capacity and settling problems in the balance of payments with foreign countries. Proceeding from these tasks, it is necessary to reappraise and readjust certain instruments and mechanisms of the economic system.

The attitudes and appraisals of the Chamber of the Republics and Provinces and its working bodies, adopted in connection with the consideration of the report on the implementation of the plan, will be sent to the Federal Executive Council to be appraised during the preparation of the draft resolution. The Federal Executive Council will prepare the draft resolution on the policy of realization of the social plan for Yugoslavia in 1981 and present it to the SFRY Assembly within the scheduled period of time, together with the proposed measures and accompanying legislative acts and the appropriate analytical and documentary material.

The chamber recommends to all the exponents of planning and decision-making to adopt measures, within their competences, aimed at the realization of the agreed economic policy in the course of 1980. The need for the full involvement of the basic organizations of associated labor and other self-managing organizations and communities, sociopolitical communities and the whole of society is stressed.

The chamber supported the changes in the resolution on the policy of realization of the 1980 social plan for Yugoslavia. The changes are aimed at reducing the real growth of social products from 5 percent to about 4 percent and the rate of growth of industrial production to about 4.5 percent from the 6 percent originally planned. The rate of growth of employment will be about 3 percent with the proviso that employment should grow more rapidly in the economy than in social activities.

In keeping with the changes, the appropriate organs of the sociopolitical communities will, in order to prevent major disruptions in production and on the market, be able to draw up a list of products whose supplies should be given priority. Timely action will be taken to adopt measures and intervene by drawing on goods reserves, by importing goods, and in other ways.

The changes in the resolution restrict the growth of personal incomes in all spheres and activities in which the average personal incomes are considerably higher than the average personal incomes in the economy.

The changes in the resolution stress that the appropriate administrative organs in banks and other financial organizations, self-managing interest communities, business communities, associations and other organizations and communities which earn the funds needed for personal incomes in a similar way, should adopt measures aimed at holding down the incomes in the work communities in these organizations by ensuring that the total income does not exceed the total income earned in 1979 by more than 16 per cent.

Within the framework of the implementation of the policy and measures for economic stabilization, organizations of associated labor and sociopolitical communities will take steps to maintain the standard of living, paying particular attention to employees with low personal incomes. To this end, it is necessary to ensure consistent implementation of the prices policy and reduce the rise in prices and in the cost of living to the agreed limits.

One of the changes calls on those republics and provinces, which have a higher rate of income growth earmarked for general and joint requirements than the established rate of growth, to pass regulations within the shortest period of time introducing measures aimed at reducing this form of consumption to the planned limits and reducing the financial obligations of the organizations of associated labor.

At the end of the session the members of the chamber also adopted conclusions on market supplies which draw attention to the fact that the problems of keeping the population supplied with certain products and work organizations with reproduction materials have recently become more and more acute and are assuming increasingly broad proportions. Disruptions in market supplies, the conclusions say, have several causes. It was noted that these problems could not be resolved by partial solutions and that the causes of this state of affairs has not been sufficiently understood. The Federal Executive Council was charged with the duty of preparing, by September, a complete analysis of the causes of poor supplies and proposing appropriate measures. The need to increase the accountability of all the participants in the supply chain, from the municipal to the federal level, and of all who made decisions in connection with supplies was also emphasized. The conclusions condemn producers who create artificial shortage in order to enforce higher prices.

KOSOVO ASSEMBLY REDUCES ESTIMATE OF PROVINCE'S SOCIAL PRODUCT

AU201837 Belgrade BORBA in Serbo-Croatian 16 Jul 80 p 4

[M. Antic report]

[Text] Pristina, 15 July--At a joint session of all three chambers of the Kosovo Assembly, delegates heard a report by Riza Sapundzija, vice president of the Kosovo Executive Council on economic trends in the first months of this year and a proposal to amend and supplement the resolution for this year. Following a comprehensive debate at separate sessions of the chambers, delegates adopted the amendments and supplements to the resolution on the policy of implementing the social plan of the Socialist Autonomous Province of Kosovo in 1980.

Greater Exports

The resolution's amendments and supplements provide that the social product should increase at a rate of 7.2 percent instead of the planned 9.4 percent.

The reason for this is the failure to achieve the planned industrial production which, according to the amended resolution, will increase at a rate of 7.5 percent instead of the originally planned 12.5 percent. Other industrial branches will also develop at slower rates: the building industry at a rate of 10.8 percent instead of the planned 11.5 percent, employment at a rate of 5.3 percent instead of the planned 6 percent, and labor productivity by 2.6 percent instead of 4.3 percent. The increase in imports has also been reduced from the planned 28 percent to 24 percent and investments from 14.1 percent to 9.8 percent. It is planned that only exports should increase--from 8.7 percent to 10.7 percent.

The changes in the federal resolution, the measures to implement economic stabilization, the fact that the province's economy has not achieved the expected results (an insufficient increase in industrial production, an increase in all kinds of consumption and an increase in prices and the cost of living have had the greatest influence on this), Riza Sapundzija said in his report, prompted the Kosovo Executive Council to propose amendments and supplements to the resolution for this year. The increase in material expenditures resulting from an increase in repayments and interests for the debts on foreign commercial and financial loans call for a reduced rate of increase of the social product for this year.

As Riza Sapundzija further stressed, the success in implementing the agreed on policy of development and in realizing the policy of economic stabilization, and within this framework the latest measures adopted by the Federal Executive Council, will depend to the greatest extent on uniform and consistent behavior by all. All factors must bear in mind the inevitability of subjective weaknesses, such as an insufficient organization and linkage of associated labor in production entities, an insufficient utilization of the available production capacities, modern organization of work and new technology, an insufficient use of working time, a slow adaptation of production to the needs and demands of the market.... With a removal of these weaknesses, Sapundzija said, we would considerably facilitate the struggle for a consistent implementation of the measures of economic stabilization.

On the basis of economic trends for 5 months of this year and of industrial production for 6 months of this year, it can be noted, it was said, that economic activities are somewhat more favorable, but all this is still far below the planned level.

For instance, industrial production increased 4 percent in the past months of this year compared with the same period of last year, but at the same time it was a third of that planned by the resolution for this year. Unfavorable trends in the leading industrial branches had the greatest influence on this: the production of coal and the electricity generating industry, whose share in the overall industrial production is 30 percent. The electricity generating industry fulfilled 96.3 percent and coal production fulfilled 88.2 percent of the plan. Other industrial branches have achieved good production results. The nominal increase in exports is 46 percent (13 percent above the Yugoslav average), while imports increased 39 percent.

Economies a Task for All

In all chambers at today's sessions it was stressed that savings at all levels--ranging from production materials and the use of socially owned automobiles to overall operating costs--should and must be part of our daily behavior. Speaking about this, Riza Sapundzija said that this great social activity could not be, as in the past, given only verbal support. The squandering of resources and deception of the working people and the broad social public cannot be allowed to remain hidden.

Economies must be the task of every citizen at his job, along with criticism where no care is taken about this social need.

At today's session delegates of the Chamber of Associated Labor adopted by means of an expedited procedure a law on comprehensive health care for farmers in the Socialist Autonomous Province of Kosovo. At separate sessions delegates of all three chambers discussed and adopted several bills and reports on the work of the provincial organs and institutions.

Presidium Views Work Performance

ID182304 Belgrade TANJUG Domestic Service in Serbo-Croatian 1527 GMT 18 Jul 80

[Excerpt] Pristina--The Presidium of the Kosovo Assembly today considered the implementation of the program of work of the Kosovo Assembly in the first half of this year. The meeting was also attended by some members of the province's Presidency and organs of the socio-political organizations, members of the provincial Executive Council and representatives of self-managing interest communities.

It was noted that the program of work is being successfully implemented but that there is still some lagging behind the implementation of some planned tasks in the way of volume and dynamism. It was emphasized that the assembly and its chambers and working bodies are also engaged in the solution of numerous questions which spring up in the life of the province.

As announced, the extensive debate points out shortcomings and weaknesses which affect the implementation of the program of work, such as inadequate and unrealistic raising of certain questions, insufficient organization, mobility and responsibility of some officials and unequal efforts to create conditions for fuller and more efficacious performance of the delegate function.

It was assessed that in the first half of this year notable progress was made in the quality of the material submitted to the assembly for consideration, but that this material is still characterized by sulkiness and repetition of generally known and accepted sociopolitical stances instead of meaningfully presenting the actual situation and proposed measures for its elimination.

SLOVENIA'S RIBICIC VIEWS ECONOMY, UNDERDEVELOPED REGIONS

AU202050 Belgrade BORBA in Serbo-Croatian 16 Jul 80 p 3

[Ulado Zagorac report]

[Excerpts] Ljubljana, 15 July--The second session of the Republican Conference of the SAWP of Slovenia, presided over by Mitja Ribicic, was held today in the assembly building of the Socialist Republic of Slovenia in Ljubljana. Members of the conference paid greatest attention to the Socialist Alliance's sociopolitical activity in implementing the policy of economic stabilization. The introductory report was submitted by Mitja Ribicic who said, among other things:

"We usually begin reports and speeches on an unfavorable economic situation with the statement that the people's mood is good and that, particularly during Comrade Tito's illness and funeral, a high level of unity and adherence to socialist self-management and nonalignment was manifested. Yugoslavia's international position in the otherwise unfavorable and complicated international situation is also stable. [paragraph continues]

Yugoslavia enjoys a great reputation and our original political system of socialist self-management has met with great international recognition.

"The latest developments have confirmed that the world is to a great extent interested that nonaligned Yugoslavia, as a factor of stability and peace in Europe and wider afield, should continue to play its active and constructive role in the world nonaligned movement. At the same time we are stressing more than ever before that our international position and influence are most closely connected with our domestic political and economic strength. A permanent precondition for our independence and unity is society's internal stability, which depends on the further development of socialist self-management. An expansion of workers' self-managing rights and responsibility, a strengthening of the equal rights of the republics and provinces, peoples and nationalities, a consistent implementation of the measures of economic stabilization, all of which should make possible the further economic development of all Yugoslavia, and within it the less developed regions and the Province of Kosovo."

Changes in the Executive Council

"I would further like to draw attention to the importance of the decisions of the Central Committee Presidium of the League of Communists of Slovenia and rebuilding the cadre of the Executive Council," Ribicic continued. "This means that the League of Communists consider the problem of responsibility, effectiveness and cadre adequacy for certain tasks as an important social issue. The present cadre changes in the Executive Council are also significant because in our self-managing community we have thus started with a process of overcoming the deeply rooted view originating in the influence of parliamentary democracy, according to which every cadre change during the duration of an office a priori expresses a lack of confidence or even a political settling of accounts. This has also led to the conclusion that we should have the shortest possible terms of office if we want to build the leading organs in the federation or the republic with sound cadres. However, it appears to us more important to work for a constant testing and appointment of those cadres most suitable for performing those tasks that are at a given moment at the center of social developments. The Constitutional provisions also make possible in this field a corresponding and effective cadre policy. It would be illusory to expect that state or administrative measures will by themselves more permanently resolve the difficult and complicated economic situation. For this reason we cannot expect any miracles from the Executive Council because state organs cannot take the place of associated labor and of knowledge in creating income," Rubicic stressed.

Speaking about certain aspects of current economic policy, Ribicic mentioned that the volume of Slovenia's industrial production was 4.1 percent higher in the first half of this year than in the same period last year, that despite restrictive measures investments continue to increase intensively while personal incomes are within the framework of the resolution for this year. Positive trends are being noted concerning employment. For the Slovene situation this means that the intensity of employment has calmed. However, the price trends are in all fields considerably higher than last year and thus the rate of inflation has already reached nearly 30 percent.

Agreements According to Possibilities

According to Mitja Ribicic, the basic reason for these unfavorable trends is disrespect for economic laws and in an inconsistent implementation of the solutions applicable to the system. For this reason it is necessary to ensure that a real realization of linkage between income and production occurs and that this will no longer merely be a formal orientation on a piece of paper. [paragraph continues]

At the same time we must accelerate the process of association in those circles in which this is possible and necessary. Only thus will it be possible to achieve better economic relations with foreign countries, to strengthen relations in securing a raw material base, and to achieve a higher level of expansion within the republic and within Yugoslavia. Slovenia is interested in an accelerated development of the underdeveloped republics and provinces. With its economic potential Slovenia is able to promote the underdeveloped regions economic development with approximately equal funds. However, it is necessary to ensure a more effective collecting of funds by pooling resources and associating labor, which calls for a self-managing transformation of the system for securing funds, Mitja Ribicic stressed among other things.

MONTENEGRIN EXECUTIVE COUNCIL INCREASES PRICE OF BREAD

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[Summary] Titograd--The Montenegrin Executive Council gave its consent today to an increase in the retail price of bread. Executive committees of municipal assemblies have been empowered to increase the price of white bread by up to 2.2 dinars per kg, up to 2.4 dinars per kg of wholewheat bread and up to 2.05 dinars per kg of black bread. This means that in future a kg of white bread will cost up to 12 dinars, wholewheat bread up to 10.40 dinars and a kg of black bread up to 8.10 dinars.

BORBA DISCUSSES POLICY TOWARD UNDERDEVELOPED REGIONS

AU181315 Belgrade BORBA in Serbo-Croatian 13 Jul 80 p 4

[Danilo Vukovic commentary: "The Developed Regions for the Undeveloped Ones"]

[Text] A solution, the only one possible at the moment, has crystallized after a 1-year discussion conducted on three occasions in federal social councils on criteria and indicators of development. Since it is certain that a common language cannot be found so quickly on this "barometer" of development, it has been resolved that all three underdeveloped republics--Bosnia-Hercegovina, Montenegro and Macedonia--will retain this status in the coming planning period. This status shall be regulated by a special law. Kosovo will be treated as the least developed region which should develop most rapidly.

In other words, an answer seems to be known to the great enigma: Who will remain among the undeveloped ones. The answer is: All those that have been in this "club" remain in it for the time being. This does not mean that they all can and must retain their present positions and that a certain redistribution of resources in favor of those regions that are most backward may not be needed depending on the level of development reached. Among other things, this requires special treatment for the Socialist Autonomous Province of Kosovo. (The proposed measures to stimulate development envisage that the development of this province will be 50 percent faster than the Yugoslav average.)

Of course, the status of insufficient development is not eternal for any republic, and one has not abandoned the search for objective criteria and indicators showing who is where. More precisely, on the basis of these criteria, the line would be drawn at which any region leaves the "club" of the undeveloped. Objective criteria and indicators acceptable to all could hardly be "found" in a short time and without fundamental research and scientific analyses, and therefore the decision on this point has been temporarily postponed. [paragraph continues]

Agreement was reached in this respect, which is an expression of a realistic assessment of the situation and of good will to further discuss this exceptionally important problem calmly and without excitement.

If, then, the developed and the underdeveloped regions have agreed that for the time being they cannot agree on the criteria and indicators of development and that intensive work on them should proceed, it remains to work out a system of measures to stimulate development, a system which is covered in "cobwebs" and cannot remain as it has been, and the volume of resources is to be decided upon. The federal social councils assessed that the proposed "materials" concerning this subject can serve as a basis for further elaboration and they themselves made their contribution with observations and suggestions.

The most important and new thing in the proposed system of stimulating measures is the orientation toward the strengthening of the role of associated labor. This has multiple advantages over the present system, for it leads to the linking of two interests--of the undeveloped and the developed regions--and makes possible a greater influence of the workers on the allocation and use of funds and prevents their alienation. The pooling of resources, according to the proposed scheme, should become the main factor in the development of underdeveloped regions, and should amount to about 50 percent of the permanent funds of the fund for undeveloped regions in the next planning period. This would be a major change, but the question arises of how to achieve it. It would be difficult to achieve such a change in the present way, without any stimulus measures, encouraging associated labor organizations from the developed regions to associate labor and pool resources with those from the undeveloped regions on the basis of their interests (and not merely as an obligation). (The share of pooled resources in the fund has been merely a token quantity, although the door has been opened wide.) Precisely this practice so far warns of the real situation.

As regards the volume of the resources which would flow from the developed to the undeveloped regions--and they are an essential prerequisite for the realization of the adopted policy--various opinions could be heard from their magnitude, opinions running in two directions. According to some, the volume should be considerably reduced in real terms, and according to others, it should irrevocably follow the logic of the realization of the set goals in the reduction of development differences.

This, after all, is the main difference between the adopted goals of an accelerated development of underdeveloped regions as written in the constitution, and the aggravated, external and internal, conditions for their realization. The conditions for the development of all the regions, both the developed and the undeveloped ones, are more complicated under the influence of world and domestic economic events, especially now after the devaluation, and they are restricted to a great extent by our balance of payments. Proposals on lower growth rates in general have emanated from these conditions.

Under these conditions, then, one should find a harmonious relationship in the development of the developed and undeveloped regions, at a somewhat lower growth rate than the one we counted upon. In this connection, of course, one cannot neglect the capacity of the former to allocate resources, but one also cannot turn a deaf ear to the development needs of the latter, whose lagging should not be permitted. Obviously it is not easy to achieve this, and if one cannot find a magic wand one should at least discover an acceptable solution for a more harmonious development under these aggravated conditions, with a maximum encouragement of the association of labor and the pooling of resources.

BORBA INTERVIEWS DRAGOSAVAC ON CURRENT POLITICAL QUESTIONS

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[Text] Belgrade, July 19 (TANJUG)--There is no "post-Tito period", only the continuity of the Yugoslav revolution launched by Tito, the party and the working class in the prewar days and which successfully continues today, secretary of the League of Communists of Yugoslavia Central Committee Presidency Dr Dusan Dragosavac told the Yugoslav daily BORBA in an interview on topical political question in Yugoslavia.

The efficient settling of topical questions of the economic stabilization also influences the political situation in the country, Dragosavac further said, calling the LCY members in particular to "engage themselves to the limit" in the field. The political and economic crisis has also hit capitalism and the states with statist social order, Dragosavac assessed. Yugoslavia can successfully settle its economic problems by developing its self-management system and by greater engagement of the communists, Dragosavac pointed out.

Dragosavac underlined that the consequences of the recent Yugoslav dinar devaluation, as the first stage of long-term economic stabilization programme, must be sustained by all segments of the society.

Reviewing the investment and consumption policy, in Yugoslavia, the ranking party official underlined that consumption must be reduced to a realistic income-setting level at an [as received] levels of the socio-economic system--from enterprises to the federation.

Dragosavac insisted that the criticism of negative phenomena in the Yugoslav society must be more specific and concretely pinpoint the ones to blame.

Dragosavac critically reviewed the attempts at pushing through in information media--behind the screen of aesthetics of neutrality--nationalist, technocrat and petty bourgeois stands and criticism of the League of Communists and the state for allegedly limiting the freedom of creativity. Dragosavac declared himself in favour of ideological and political unmasking of such phenomena but also against administrative interventioning.

As of recently, certain individuals (?are) appearing again, acting along the lines of reactionary bourgeois propaganda concerning human right, while essentially masking their lack of humaneness and support of chauvinism and terrorism and undermining of genuine human freedom, Dragosavac said.

The majority of foreign press media carry impartial reports, but some of them also attempt to minimize the successes of the Yugoslav foreign and internal policies and to raise the question of "Yugoslavia's future", Dragosavac pointed out.

Certain foreign newspapers give space to fascist emigres and use reactionary anti-Yugoslav propaganda. The practice of the Yugoslav political system and independent and non-aligned policy always denied such claims and will continue doing so in the future, Dragosavac said in conclusion.